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## **Southeast Asia Report**

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21 June 1985

## SOUTHEAST ASIA REPORT

## CONTENTS

## AUSTRALIA

Canberra, Wellington Views 1944 Defense Pact Revival (Hugh White; THE SYDNEY MORNING HERALD, 28 Mar 85).....	1
Canberra Determined Not To Endorse SDI (Melbourne Overseas Service, 10, 13 May 85).....	2
Foreign Ministry Official Briefs Parliament Satellite Testing Decried	2 2
New Zealand Opposition Leader Criticizes Nuclear Policy (THE NEW ZEALAND HERALD, 28 Mar 85).....	3
Rebel Australian Labor MP's Form Anti-Nuclear Group (THE NEW ZEALAND HERALD, 30 Mar 85).....	4

## BURMA

Party Central Committee Meets in Rangoon 22 May (Rangoon Domestic Service, 22 May 85).....	5
---	---

## INDONESIA

Mokhtar on U.S.-SRV Ties in Cambodian Solution (MERDEKA, 22 May 85) .....	6
Mokhtar Briefs MP's on PRC Direct Trade Link (KOMPAS, 22 May 85).....	7
Briefs	
Information Cooperation With Malaysia	9
Diponegoro 4th Regional Commander	9
Siliwangi 3d Regional Commander	9

# LAOS

Kaysone, Others Receive Bulgarian Insignia (KPL, 28 May 85).....	10
Payment in Goods, Exchange System for State Employees (PASASON, 4 May 85; VIENTIANE MAI, 4, 6 May 85).....	11
Salary, Goods Differentials Noted, Somlit Phompida Interview	11
Categories of Goods Available	12
Ration Coupons May Be Saved	13
LPA Sugar Plant Problems Noted (MEGNING LAO, Jan 85).....	15
Keng Kabao Port Capacities, Construction Progress Seen (PASASON, 17 Apr 85).....	17
Local Police Network in Houa Phan, Problems Noted (Thongsai Phengmani; PASASON, 6 May 85).....	18
Route 9 Construction Units, Goals Noted (Dokchan Bandeuk; PASASON, 4 May 85).....	20
Youth Official on Refugees, LPRYU Membership (Chaleun Yia Po Her Interview; NOUM LAO, 15-30 Oct 84)...	22
Education Policy for Tribal Minorities Discussed (SUKSA MAI, Jan 85).....	25
Briefs	
World Bank Financing for College	27
UNICEF Project	27
LPA Textile Plant	27
Mekong Project Aid	28
Saravane District Banking	28
Mong District Security	28
Houa Phan Local Guerrilla Strength	29
Mong District LPRP Membership	29
Vientiane Capital Tax Collection	29
Coffee Processing	29
Vientiane District Banking	30
Luang Prabang Co-Ops	30
Houa Phan Trade, Services	30
Savannakhet Bank Deposits	30
Louang Namtha Export-Import	30
Luang Prabang Banking	31
Cuban Delegation	31
Cooperation With GDR	31



Women's Delegation to MPR	31
CSSR Envoy	31
Outgoing CSSR Envoy	31
Friendship Medal	32
Nationwide Bank Deposits	32

## MALAYSIA

Calm Handling of Malaysia-PRC Trade Urged (KIN KWOK DAILY NEWS, 29 Mar 85).....	33
Difficulty in Obtaining Permits To Visit China Reported (SIN CHEW JIT POH MALAYSIA, 30 Mar 85).....	35
Prospects for National Economy Viewed (KIN KWOK DAILY NEWS, 1 Apr 85).....	37
MCA-Gerakan Joint Council Formed (SIN CHEW JIT POH MALAYSIA, 2, 3 Apr 85).....	39
Joint Statement	39
Lim Kit Siang's Comment	41
SIN CHEW JIT POH's Comment, Editorial	43

## PHILIPPINES

Ramos Receives Reports on NPA Gains, Setbacks (Jose De Vera; BULLETIN TODAY, 24 May 85).....	45
Debt Negotiations With Banks To Start in July (BUSINESS DAY, 28 May 85).....	47
Population Now More Than 54.9 Million (ANG PAHAYAGANG MALAYA, 17 May 85).....	49
NPA Set Fire to Town, Clash With Troops (METRO MANILA TIMES, 26 May 85).....	50
Briefs	
Troops Hit NPA Camp	52
International Economic Talks	52
Abuses by Secret Marshals Denied	52
NPA Attacks Reported	52
Army Appeals for Civilian Cooperation	53
Lower Rice Imports Predicted	53

## SINGAPORE

Paper Views New Zealand Trade Preference Move (Editorial; THE STRAITS TIMES, 30 May 85).....	54
---	----

## THAILAND

Budget Chief on U. S. F-16A-100 Payment Plan (BANGKOK POST, 28 May 85).....	56
Daily Urges Caution on Proximity Talks (Editorial; THE NATION REVIEW, 27 May 85).....	57
<b>Briefs</b>	
South Faces 'Dark Influences'	59
Trade With Australia	59
Demarcation Border '93 Percent Complete'	59
F-16 Purchase	59
UN Security Council Summit Proposed	60

## CAMBODIA

### COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

Khieu Samphan Thanks Togolese Foreign Minister (Voice of Democratic Kampuchea, 23 May 85).....	61
VODK Cites DK Delegate on 'Vietnamization' (Voice of Democratic Kampuchea, 25 May 85).....	62
VONADK, VODK Battle Reports for 17-23 May (Voice of the National Army of Democratic Kampuchea; Voice of Democratic Kampuchea, 17-23 May 85).....	63
<b>Briefs</b>	
Moung-Pursat Commune Office 'Freed'	65
4 Battambang Villages 'Liberated'	65
Kompong Chhnang Commune Offices Freed	65
Soviet Officer's Visit	65
Western Battambang Villages 'Liberated'	66
DK-Egypt Joint Communique	66
SRV Soldiers Kill Laborers	66
Battambang Villages 'Liberated'	66
5 Battambang Villages 'Liberated'	66

### PEOPLE'S REPUBLIC OF KAMPUCHEA

Success of Operations Against 'Bandits' Reported (Phnom Penh Domestic Service, 23 May 85).....	67
Radio Feature on Rice Production in Cambodia (Hanoi Domestic Service, 27 May 85).....	68

Report on Agricultural Developments 20-26 May (Various sources, 20-26 May 85).....	70
---	----

## Briefs

Ho Chi Minh Museum	73
Hungarian Newspaper Visitor	73
Lao Delegation Departs	73
Indian Red Cross Gift	73
Misled Persons in Kratie	73
Returnees in Kompong Thom	74
Statistics on Returnees	74

## VIETNAM

### INTERNATIONAL RELATIONS, TRADE AND AID

Army Paper Denounces U.S.-Founded Radio Marti (Hanoi Domestic Service, 29 May 85).....	75
Hanoi on Laos' Progress, Bilateral Cooperation (Vu Dinh Vinh; Hanoi Domestic Service, 28 May 85).....	76
Thai Officials, Academics Debate PRK Policy (Hanoi Domestic Service, 28 May 85).....	78

## Briefs

Hau Giang Aids Kompong Chhnang	79
Emulation Drive With Soviets	79
Pham Van Dong's Meetings	79
Iraq Marks Friendship Year	80

### PARTY ACTIVITIES AND GOVERNMENT

NHAN DAN Congratulates Hoang Quoc Viet (VNA, 29 May 85).....	81
Pham Hung Attends Interior Ministry Conference (Hanoi Domestic Service, 29 May 85).....	83
Army Paper on Commanding Cadres' Capabilities (Editorial; Hanoi Domestic Service, 23 May 85).....	84

## Briefs

Hanoi People's Council	86
------------------------	----

## ECONOMIC PLANNING, TRADE AND FINANCE

Article Urges Drafting of Supplementary Plans for 1985 (TAP CHI KE HOACH HOA, Jan 85).....	87
---	----

Economic Planning at All Levels To Be Actively Improved (TAP CHI KE HOACH HOA, Jan 85).....	96
--	----

## AGRICULTURE

Paper on Agricultural Transformation in Nam Bo (Hanoi Domestic Service, 27 May 85).....	114
--	-----

### Briefs

Thai Binh Drought	116
Nghia Binh Grain Procurement	116
Ha Nam Ninh Insects	116
Ha Bac Drought	116
Thai Binh Insects	116
Tay Ninh Agricultural Transformation	116
Nghe Tinh Drought	117
Hoang Lien Son Rice Blast	117

## HEALTH, EDUCATION AND WELFARE

### Briefs

Hanoi Movie, Video Shows	118
--------------------------	-----

## PUBLICATIONS

Table of Contents of TAP CHI KE HOACH HOA Jan 85 (TAP CHI KE HOACH HOA, Jan 85).....	119
---	-----

AUSTRALIA

## CANBERRA, WELLINGTON VIEWS 1944 DEFENSE PACT REVIVAL

Sydney THE SYDNEY MORNING HERALD in English 28 Mar 85 p 4

[Article by Hugh White]

[Text]

CANBERRA: The keystone of the Australian plan to strengthen defence co-operation between Australia and New Zealand in the wake of the ANZUS crisis is a quaint diplomatic fossil called the ANZAC pact of 1944.

Mr Beazley and Mr Hayden are expected to recommend to Cabinet today that this war-time bilateral agreement be revived as a framework for greatly increased defence co-operation which the Government expects to result from the breakdown of ANZUS.

The ANZAC pact, (known in New Zealand with Kiwi perversity as the Canberra Pact) was signed in Canberra early in 1944. It was an ambitious attempt to assert Australian and New Zealand control over the South and South-West Pacific after the war.

The pact became moribund almost as soon as it was signed. It was evident that the large claims it made were not sensible and in the post-war chill, the emphasis soon switched from trying to limit US presence in the area to trying to tie the United States into the region as closely as possible.

That policy came to fruition when the ANZUS treaty was signed in 1951, and the ANZAC Pact sank into the dust of the history books, leaving the South Pacific Forum as almost its only trace.

But the pact is still on the books, and it contains provisions to cover co-operation between the two countries over regional defence.

It provides a useful peg on which to hang the greatly increased defence co-operation which both Wellington and Canberra now seem keen to establish in lieu of the battered ANZUS relationship. In fact, Mr Beazley's visit to New Zealand next week to discuss this co-operation will be held under the aegis of the ANZAC Pact.

In the early 1970s the regular defence talks, which the pact established between ANZAC defence ministers and senior officials, were revived.

Mr Beazley's talks will be the latest in this series, although they will be incomparably more substantial than the rather social gatherings of previous years.

Of course, there is no legal or administrative necessity to base extended trans-Tasman defence co-operation on any particular document like the ANZAC Pact, but the existence of the pact is a political godsend to both Governments at this tense time.

In both countries the pact will give a reassuring aura of order and substance to what might otherwise have seemed a rather diverse and motley collection of ad hoc arrangements. It will go some way to calm electorates which have become jittery over the collapse of the regional aspects of the largely-symbolic but comforting ANZUS treaty.

Back in 1944 the ANZAC Pact was basically Australia's idea, and was largely the brainchild of the then Minister of Foreign Affairs, Dr H. V. Evatt.

AUSTRALIA

CANBERRA DETERMINED NOT TO ENDORSE SDI

Foreign Ministry Official Briefs Parliament

BK130912 Melbourne Overseas Service in English 0830 GMT 13 May 85

[Text] An American technical mission is expected in Australia late this month to explain the United States' Strategic Defense Initiative [SDI], also known as "star wars." Radio Australia's Canberra correspondent, Walter Hamilton, says although Australia is to get a detailed explanation of the space-based anti-missile defense system, it is holding fast to a decision not to endorse the plan and is unlikely to accept an invitation to take part in research.

Hamilton says the deputy secretary of the Foreign Affairs Department, Mr Duncan Campbell, told the parliament subcommittee on disarmament and arms control today that there was a series of very difficult contradictions involved in the defense system. However, Mr Campbell said that as the debate on the "star wars" system continued in the United States, support for it was probably increasing. He told a hearing in Canberra that it was the government's view that the present system of nuclear deterrence which would be undercut by the SDI was the only appropriate way of approaching disarmament and arms control.

Satellite Testing Decried

BK100900 Melbourne Overseas Service in English 0830 GMT 10 May 85

[Text] The Australian Democrats have condemned the government's decision to assist the United States in testing a new satellite surveillance system. Australia's participation in the program was confirmed earlier today by the defense minister, Mr Beazley. The minister said that although the satellite system was associated with the so-called American "star wars" plan to base weapons in space, Australia's part would not be directly linked with "star wars."

The Democrats' spokesman on defense, Senator Mason, said the research was an essential part of the "star wars" system and the government was guilty of hypocrisy in agreeing to participate in the testing.

CSO: 5200/4320



AUSTRALIA

NEW ZEALAND OPPOSITION LEADER CRITICIZES NUCLEAR POLICY

Auckland THE NEW ZEALAND HERALD in English 28 Mar 85 p 4

[Text]

**NZPA Canberra**

New Zealand's nuclear ships ban is having a serious impact on its relations with South Pacific Governments as well as Australia, the United States and the Western alliance, the Leader of the Opposition, Mr McLay, said in Canberra.

He told the National Press Club that, as a result, there would be significant changes in the South Pacific, and several governments had already voiced concern in Wellington.

He predicted that the United States would take a greater role in the region and that the Soviet Union would try to "match" the United States.

**Consultation**

"Concern has already been expressed by the Governments of Fiji, Western Samoa, Tonga and the Cook Islands," he said.

"It would appear that

there has been no prior consultation with those Governments or those of other Pacific Island countries on the New Zealand policy."

He said that because of the role played by the Anzus partners, the United States had felt no need to maintain a high profile in the region, and the Soviets were also effectively kept out.

He said he agreed with the Prime Minister, Mr Lange, that there was now evidence of a considerable Soviet diplomatic initiative to establish a presence in the South Pacific unrelated to Soviet economic interests.

**Unfriendly**

"Indeed, in the past, they have endeavoured to obtain the use of port facilities at Nukunono and Tonga. And just last week it was reported that Kiribati was considering entering into a fishing agreement with the Soviet Union....

"Add to that the considerable uncertainty about the future of New Caledonia and particularly the possibility of an independent

Kanak-led state strongly influenced by elements unfriendly to Australia and New Zealand, and you have a very significant shift in the stability of the South Pacific."

He said that with the cancellation of the Anzus council meeting, New Zealand and Australia lacked a formal forum in which to talk.

**Treaty**

"Something must be found to replace it on a bilateral basis."

But he said later in answer to a question that there would be no move to a formal diplomatic treaty between Australia and New Zealand because that would smack of a political union which would not be acceptable in New Zealand.

He told questioners he did not expect trade sanctions from the United States in the meantime but said the greatest danger for New Zealand came from protectionist legislation which could harm New Zealand trade now there was less political goodwill to block it.

AUSTRALIA

REBEL AUSTRALIAN LABOR MP'S FORM ANTI-NUCLEAR GROUP

Auckland THE NEW ZEALAND HERALD in English 30 Mar 85 p 7

[Text]

NZPA

Canberra

At least 28 backbench members of the Federal Labour caucus have joined a new group known as Labour Parliamentarians for a Nuclear-free Australia, aimed at promoting the anti-nuclear issue.

Mr Neil O'Keefe, Mr Tony Lamb and Senator Barney Cooney (Victorian Independent group), Government whip Mr Barry Humphreys (Queensland, right) and Helen Mayer (Victoria, centre left).

Intensity

Sources within the group say it is definitely not just a new code name for the Labour Party's left wing, but has attracted support from members of all Labour factions who want to force the party to take a stronger stand on anti-nuclear issues.

The impetus for the group's formation was the encouragement it received from the Government's rejection of the United States' invitation to take part in

research on the "Star Wars" strategic defence initiative.

It also follows closely on the heels of the Prime Minister's backdown on the MX missile.

Avoided

Issues the group will take up include visits by nuclear ships, United States bases, a nuclear-free Pacific and uranium mining — an issue of Labour Party policy

which the sources say "is by no means finished."

The group also intends to cultivate growing support for anti-nuclear issues within the public, trade unions and the Labour Party movement Australia-wide by issuing a newsletter and initiating a programme of research, discussion and seminars with prominent guest speakers.

Sources said the group was not intended to subvert the Government, but to force it to take a stand — and to be seen to take a stand — on anti-nuclear issues it had previously avoided and thereby lost electoral support.

Non-left MPs who have joined the group include the former Queensland Opposition leader, Mr Keith Wright (a member of the Prime Minister's right faction), Mr Bob Chynoweth (Victoria, right), Mr John Langmore (Australian Capital Territory, non-aligned),

A letter sent to federal Labour Party caucus members on Thursday seeking their support for the group notes that the MX missile issue illustrated that the Government could respond to the concern of party members and the public.

"Labour Parliamentarians for a Nuclear-Free Australia will take a high profile role in working for a nuclear-free Australia," it said.

"Our task is twofold. Firstly we will intensify the campaign nationally within the ALP to advance the cause of a nuclear-free Australia and to encourage greater party debate and understanding of such anti-nuclear issues.

Secondly, we must electively win back Labour's natural constituency.

It was also hoped that it would revitalise the anti-nuclear movement across Australia.

BURMA

PARTY CENTRAL COMMITTEE MEETS IN RANGOON 22 MAY

BK220940 Rangoon Domestic Service in Burmese 0630 GMT 22 May 85

[Text] The 14th meeting of the Burma Socialist Program Party [BSPP] Central Committee was held at 0900 this morning in the Central Conference Hall in the Presidential House compound on Ahlone Road. BSPP Chairman U Ne Win presided over the meeting and Secretary U Win Maung officiated as secretary of the meeting.

After the 14th meeting of the Central Committee was declared open and valid, U Aye Ko, general secretary of the BSPP, presented the draft political report to be submitted to the Fifth Party Congress. The report was approved by the Central Committee members. Next, party Secretary U Ghan Hlhang presented a draft guideline of the Fifth 4-Year Plan of the Socialist Republic of the Union of Burma and the report on the matters related to the draft guidelines after which members of the Central Committee gave their approval. General Secretary U Aye Ko then presented the matter of fixing the number of Central Committee delegates to the Fifth Party Congress and the members of the Central Committee gave their decision.

Next, Secretary U Thein Ngwe presented the draft agenda of the Fifth Party Congress and the Central Committee members gave their approval. Party General Secretary U Aye Ko then presented amendments to the BSPP Constitution and the decision of the Central Committee members was taken by vote. Next, Joint General Secretary U Sein Lwin presented amendments to the rules and regulations for convening the party congress and party plenary sessions and the Central Committee members gave their decision.

Secretary U Htwè Han presented the amendments of the rules regarding a separate fund for the Lanzin Youth Organization and the Central Committee members gave their decision. Next, Joint General Secretary U Sein Lwin presented the procedures in connection with appeals submitted by the party members and the Central Committee members gave their decision. This was followed by the announcement on the decision of the Central Committee on amendments to the BSPP Constitution. The 14th meeting of the BSPP Central Committee ended successfully in the morning after meeting resolutions were announced, approved, and signed.

CSO: 4211/56

INDONESIA

MOKHTAR ON U.S.-SRV TIES IN CAMBODIAN SOLUTION

BK240943 Jakarta MERDEKA in Indonesian 22 May 85 pp 1, 12

[Excerpt] Jakarta, Tuesday, MERDEKA--A settlement of the Cambodian conflict should be dealt with cautiously and wisely, but Vietnam remains a crucial factor; Foreign Minister Mokhtar Kusumaatmaja said at a working meeting with Parliamentary Commission I at Parliament Building, Senayan, today.

He said that an Indonesian proposal that Vietnam normalize its bilateral relations with the United States has won support from all ASEAN members, adding that the proposal has even become an ASEAN strategy.

"It is now up to Vietnam to accept it or not," the minister said.

"In fact, Vietnam will have much to gain if it agrees to the proposal," he added.

According to Mokhtar, Vietnam will pay too high a price if it depends only on the Soviet Union on the Cambodian issue without listening to proposals from ASEAN countries.

Mokhtar said that the Indonesian proposal that Vietnam normalize its relations with the United States is designed to strengthen ASEAN's credibility in resolving the Cambodian issue. The proposal has also been presented to U.S. and PRC officials.

Mokhtar said that the current Cambodian conflict is attributed to two opposing strategies. The Soviet Union supports the Vietnamese presence in Cambodia, while the PRC backs the Sihanouk coalition.

"These two great powers are competing each other for influence. As a result, the Cambodian conflict is dragging on," he said.

CSO: 4213/240

INDONESIA

MOKHTAR BRIEFS MP'S ON PRC DIRECT TRADE LINK

BK260448 Jakarta KOMPAS in Indonesian 22 May 85 pp 1, 8

[Excerpt] Jakarta, KOMPOS--The initiative taken by PRC leaders to visit various countries, including Japan, the United States, Australia, Thailand, the Philippines, and Indonesia was aimed at regaining foreign confidence in their sincerity to carry out the Four Modernizations. The PRC wishes to show these countries that it has a new image following the court trial of the radical group known as the Gang of Four.

Foreign Minister Mokhtar Kusumaatmaja made these remarks on Tuesday [21 May] at a hearing with parliament's Commission I chaired by commission chairman Ismail Hasan Metarium. Mokhtar noted that the PRC attitude is similar to that of Indonesia when the New Order began to assume power. At that time, Indonesia tried to convince other countries that its New Order gave priority to national development. Mokhtar also said that the PRC visits by U.S. President Ronald Reagan and Japanese Prime Minister Yasuhiro Nakasone indicated the PRC's success in its efforts to gain foreign countries' confidence. In this connection, Indonesia should pay attention to the changing situation and adjust itself to existing reality. "However, the adjustment must be carried out without reducing our vigilance to the PRC activities, considering the fact that the PRC supported the G-30-S [30 September Movement] coup," Mokhtar said, adding that the unpleasant experience with the PRC has made Indonesia delay its normalization of relations with that country, frozen since 1967. Indonesia has decided to reopen direct trade links only, and even this will be done in stages. "This is in line with our interests," Mokhtar said.

Mokhtar believes there is nothing wrong with reopening direct trade links because if trade is done through third countries, as is the case at the moment, it would only benefit those countries and make Indonesia dependent on them. Besides, Indonesia is not happy if the markets of its coffee, tea, and rubber are captured by other countries. However, although Indonesia sees the PRC as a potential market for its commodity exports, it will limit direct trade links with that country to a minimal level.

During the parliamentary hearing, Minister Mokhtar disclosed that he had discussed the issue of direct trade links with his PRC counterpart, Wu Xueqian, at the 30th anniversary commemoration of the Asian-African conference in Bandung last month. On that occasion, the PRC foreign minister said that even though



the Indonesian Chamber of Commerce and Industry [Kadin] and the China Council for Promotion of International Trade [CCPIT] have reached an agreement on various issues, a memorandum of understanding has yet to be signed because an authorization from the respective government is needed. In response to this, Mokhtar pointed out to Wu Xueqian that the director general of foreign trade relations of the Indonesian Foreign Affairs Department and its PRC counterpart had reached an agreement for a direct trade link between the two countries in which Kadin will represent Indonesia and CCPIT will represent the PRC. Both agencies will sign a memorandum of understanding that will contain several basic arrangements in a third country. The two foreign ministers also agreed that the direct trade be carried out in stages, with full confidence, in a mutually beneficial manner, and implemented without causing problems or destroying good bilateral relations.

Based on the agreement reached by the director general of foreign trade relations and his counterpart, Minister Mokhtar has approved the signing of the memorandum of understanding either in Singapore or Hong Kong, despite his belief that the signing would be best carried out in both countries capitals.

Answering questions from Commission I parliamentarians, Mokhtar said that the PRC approaches toward certain countries, when viewed from a long-term perspective, can be considered efforts to regain its posture as a big and worthwhile country.

Besides Sino-Indonesian relations, the parliamentary hearing discussed various other issues, such as the 30th anniversary celebration of the Asian-African conference, the Cambodian problem, upcoming visits to Indonesia by foreign state guests, and the problem of Indonesian workers working overseas.

CSO: 4213/240



INDONESIA

BRIEFS

INFORMATION COOPERATION WITH MALAYSIA--The Indonesian and Malaysian Governments have signed a memorandum of understanding on bilateral cooperation in information and communications. The memorandum was signed in Jakarta on 20 May by the secretary general of the Indonesian Information Department, Abdul Kadir, and his Malaysian counterpart, Datuk Jaji Wan Sidek Bin Haji Wan Abdul Rahman. The bilateral cooperation covers radio, television, and film; press; public information; education and training; and the establishment of a joint commission. [Summary] [Jakarta MERDEKA in Indonesian 21 May 85 pp 1, 12 BK]

DIPONEGORO 4TH REGIONAL COMMANDER--Army Chief of Staff General Rudini installed Brigadier General Harsudiyono Hartas as new commander of the Diponegoro Fourth Regional Military Command in Semarang on 16 May, replacing Major General Sugiarto. [Summary] [Jakarta KOMPAS in Indonesian 17 May 85 p 9 BK]

SILIWANGI 3D REGIONAL COMMANDER--Army Chief of Staff General Rudini has installed Brigadier General Raja Inal Siregar as new commander of the Third Siliwangi Military Region Command. The installation ceremony took place at the headquarters of the Siliwangi Third Regional Military Command in Bandung, West Java, on 18 May. [Summary] [Jakarta MERDEKA in Indonesian 20 May 85 pp 1, 12 BK]

CSO: 4213/240

LAOS

KAYSONE, OTHERS RECEIVE BULGARIAN INSIGNIA

BK291309 Vientiane KPL in English 0903 GMT 28 May 85

[Text] Vientiane, 28 May (OANA-KPL)--A ceremony was held at the Council of Ministers office here on 27 May to present insignia marking the 40th anniversary of the Peoples Republic of Bulgarian to Lao party and state leaders.

The recipients were Kaysone Phomvihan, general secretary of the LPRP CC, chairman of the Council of Ministers, Souphanouvong, Politburo member of the LPRP CC, president of the republic and the PSA, Nouhak Phoumsavan, Phoumi Vongvichit, Khamtai Siphandon Phoun Sipaseut, and Sisomphon Lovansai, members of the Political Bureau of the LPRP CC, Sali Vongkhamsao, Sisavat Keobounpha, Saman Vignaket and Maichantan Sengmani, members of the Secretariat of the LPRP CC, and other senior party and state officials.

Todor Tsvetanov Netsov, Bulgarian Ambassador to Laos, read out the decree of the State Council of the People's Republic of Bulgaria on the conferment of the insignia on the Lao Party and state leaders in acknowledgement of their remarkable achievements during the struggle against colonialism, imperialism and other reactionary forces, for the unity of the international communist movement, for world peace and security as well as for strengthening the friendly relations and all-round cooperation between Laos and Bulgaria.

Speaking at the ceremony, Phoun Sipaseut thanked the party and government of Bulgaria for the award, which, he said, would further promote the friendly relations and solidarity between Laos and Bulgaria.

CSO: 4200/990

21 JUNE 1985

LAOS

## PAYMENT IN GOODS, EXCHANGE SYSTEM FOR STATE EMPLOYEES

## Salary, Goods Differentials Noted

Vientiane PASASON in Lao 4 May 85 p 2

[Interview with Comrade Somlit Phompida, acting department chief of the Domestic Trade Department, on stores for government employees by PASASON reporters, date and place not given]

[Text] In order to respond to the party and government policy on raising the standard of living of cadres, the military, workers, and government employees, recently the Ministry of Trade has set up many stores in order to serve cadres and government employees based on the monthly salary range for the party and government plan to sell to individuals. In order to clearly understand this matter our reporters went to see Comrade Somlit Phompida, acting chief of the Department of Domestic Trade. He answered our reporters' questions as follows.

[Question] The stores to serve the government employees that were set up in ministries, committee equivalents, companies, and state enterprises in the center and others that will be set up along localities, provinces, and the capital have the following main goals.

1. To distribute goods for cadres, the military, police, and government workers within the government employees' monthly salary limit set by the government.
2. To purchase and manufacture goods from the family economy of the cadres, the military, police and other production sources for distribution to the cadres, the military, police, and government employees, and workers within their monthly salary limit and for the [public] at appropriate prices.
3. To encourage the family agricultural production of cadres, the military, and police, and to raise the standard of living step by step.
4. To take part in building the socialist trade network and to transform nonsocialist trade.

5. To facilitate cadres, the military, and police in buying and selling goods necessary for their living, etc.

[Question] What do you think should be improved next?

[Answer] Concerning this matter, Article 6 of the temporary regulations on stores for government employees states that the stores are financially independent and can do business [on a profit basis in order to ensure the three benefits].

Therefore, for the next step we must improve the stores in terms of quantity and quality so they will become more refined and will be able to fulfill the demands of cadres, the military, and police, and also encourage and improve family economy production.

[Question] Based on your assessment at the beginning of setting up the stores for government employees, what are the good points, the problems, and their [solutions]?

[Answer] Up to now 47 stores have been set up in various offices and organizations, e.g., Store No 4 of the Ministry of Trade, the store of the Committee of News, Newspapers, Radio Broadcasting, and State Television, the store of the Ministry of Transportation and Posts, the store of the Ministry of Agriculture, Irrigation, and Agricultural Co-ops, and stores of other ministries. After a brief period of operation the business has been good. It is easy for cadres, the military, police, government employees, and workers to purchase or obtain compensation in terms of goods within their salary limit. However, some small problems are inevitable because it is still in the period of constructing and improving, e.g., accounting, disbursing of goods, misunderstanding among some cadres in using coupons, and using the monthly salary ration book and cards. Generally speaking, the cadres are satisfied with this new principle of the central echelons and we believe that these remaining small problems will be solved and improved step by step.

#### Categories of Goods Available

Vientiane VIENTIANE MAI in Lao 6 May 85 p 2

[Conversation with the Editor: "Do We Still Lose Money Even Though We Do Not Buy Anything?"]

[Text] [Question] Dear VIENTIANE MAI Editor. I have the following question. I waste my time waiting whenever I go to purchase things. This affects my work. If I go many days to buy something I get annoyed. Suppose I do not buy goods; will my money be lost or will the goods still belong to me like before? (I mean the rationed goods in the stores for government employees; the goods based on the ration book are goods for general trading purposes). This is all I have to ask. I hope you can clear it up for me. (Signed) Douang.

[Answer] Dear Douang. [Some] days ago VIENTIANE MAI answered this question. We want you to understand further, as follows. The 3-month, 6-month, and 1-year rationed goods are categorized as follows.

1. The kinds of goods for coupons, e.g., fish, meat, eggs, soap, sugar, salt, and rice are monthly rationed goods that everyone needs and must use every day. These kinds of goods are necessary for us and must be obtained according to conditions.
2. Long-term goods, e.g., materials for pants-making, blankets, mosquito nets, etc., are in the salary disbursing book, and whether you take them or not they still belong to you.

We spoke about this once regarding the kinds of goods and the problem you mentioned (wasting a lot of time if you go to make a purchase, and if you go to buy goods but cannot obtain them will they be lost or will your money be taken out because you do not take the goods). However, the store cadres must have time to ration these goods for everyone except [when] they do not have that kind of goods in the store the accountants will give money for you to buy them in general stores according to the time for such goods as stated in the general stores.

VIENTIANE MAI has already discussed the problem of the crowds buying merchandise in the stores for government employees. However, I would like to add that if any stores for government employees are as was mentioned, they should try to find an appropriate way to solve the problem immediately and avoid having cadres waste their time and work all day long to buy merchandise. This problem existed only in 1980. Do not use old lessons with new ones, because it will be of no use at all. Thank you.

#### Ration Coupons May Be Saved

Vientiane VIENTIANE MAI in Lao 4 May 85 p 2

[Conversation with the Editor: "If We Don't Buy Anything in the Co-op Store Won't We Just Lose Our Money?"]

[Text] [Question] Dear VIENTIANE MAI Editor. Now I would like to ask the following question. In the salary disbursing system mentioned, types of goods exist in the book according to the rationing. Suppose we do not want these kinds of goods; will we still have money left in the book, or is it necessary that we take the rationed goods according to the rationing? This is all I ask, and I hope you can clear it up for me. Thank you, from Chansai.

[Answer] Dear Chansai. If we explain the circular on the new rate system it will be long and will take a lot of time to do so. Therefore, we will discuss the following specifics.

1. According to the rate coupons, everyday necessary goods, e.g., meat, rice, soap, sugar, salt, etc. must be obtained as needed as stated and rationed for individuals.

2. As for types of goods or items in the salary disbursing book, if you need them you can disburse them depending on what the store has. If there is no such item in the store, the store for government employees will give you money to buy in the general stores. As for those who do not want any goods because they already have them, it is all right. If you do not want to get anything, it is fine. The rest of the money in the book will be yours. Nothing will be changed. When your money in the book adds up to a lot and [you] need any goods of the same amount that you have, you just tell them of your intention to purchase them. For example, suppose you want a refrigerator. When you count your money in the book and it is the same as the price of a refrigerator, you can go ahead to let them know that you want to buy a refrigerator or other goods that they have in the state store. Even if you do not make a purchase your money will still be yours and nothing will be changed. I hope by explaining just this can help you to understand. I have discussed a little for you to understand a lot, and to make it simple and informal. Thank you

9884

CSO: 4206/134



LAOS

#### LPA SUGAR PLANT PROBLEMS NOTED

Vientiane MEGNING LAO in Lao Jan 85 p 4

[Excerpt] We arrived at the sugar plant just in time to see male and female workers happily performing their duties with dedication.

The LPA sugar plant was established on 25 October 1982. Presently, there is a total of 98 workers, of which 35 are women. Production is divided into sections: sugar cane pressing, cane juice boiling, evaporating, crystallizing, filtering [with sieves], drying in the sun, packaging and general maintenance. Each section is interrelated, like links in a chain; not a single section can be lacking.

This plant produces sugar to improve the standard of living of the people to a satisfactory level. The entire production process uses domestic raw materials.

According to Comrade Maj Viengthong Phetsamone and Comrade Lieutenant Thongsas, the committee responsible for the plant informed them that in the beginning this plant received aid from Vietnamese workers and technocrats, who primarily taught technology and various production methods. After a learning period and production had been normalized, our workers took charge and successfully carried out the production of sugar, in spite of the many difficulties that they encountered. For example, the supply of raw materials to the plant was irregular, basic equipment, such as stoves, used in the production process were inefficient and none of our workers formerly were trained with specialized technical skills. Therefore, every worker entered his job inexperienced, and learned while working. In spite of all the confusion and difficulties, after they learned and understood the honorable duties of the Lao proletariat in the new socialist system, and with the close interest of their superiors, workers in each section dedicated and concentrated all their efforts and abilities to participating in production. This has made the task progress and expand securely all along. This is shown by the production of 18 tons of sugar in 1982-83 and 31 tons in 1983-84. For 1984-85's production in particular, the plant has set up competitive goals and is struggling to perform in accordance with the production plan laid out by its superiors, who have projected a production of up to 57 tons.

Even though production has not responded quickly enough to [meet] consumer demand, it has confirmed the first step of developing the foundation for socialist production in Laos. Along with this, the performance of all the workers has had a part in making our country self sufficient in this area.

I believe that in the time ahead of us, we will be able to produce enough sugar and respond to consumer demand by using every ability and the creativity of the cadres and workers of the LPA sugar plant.

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CSO: 4206/123

LAOS

# KENG KABAO PORT CAPACITIES, CONSTRUCTION PROGRESS SEEN

Vientiane PASASON in Lao 17 Apr 85 p 2

[Excerpt] Now Keng Kabao, which is situated around 47 km north of Savannakhet, has become a large modern national port.

This writer had the opportunity to have an informal talk with Comrade Bounmy Thepvongsa, who is in charge of technical construction for Keng Kabao Port. He told me about the conditions for constructing this port: "We consider the Mekong River to be an important water route for the domestic transportation of goods, so we needed to construct Keng Kabao to be one of our strategic domestic ports. Construction started in 1980 with aid from Holland in combination with funding from our Lao government."

"We were worried about the conditions for constructing it because modern machinery and construction materials are too far from our country and, to make matters worse, our workers are inexperienced. Worse than that, the land in this area, in addition to being mountainous and sloppy, is rumored to have a lot of bad spirits...But, because of our confidence in the right guidance of the party and state added to the creativity, hard working attitude and tirelessness of all our technocrats as well as of every worker in each working unit, today 95 percent of the construction plan of this port has been completed."

To the question, "Which part of the construction of this port has been completed and which part is still under construction," Comrade Bounmy Thepvongsa replied that, "The construction of Keng Kabao Port is one of our country's modernization projects... The port has two modern fork lifts that are capable of lifting 10 tons, and a 2,260 square meter warehouse and also a 5,800 square meter open air storage space that can accommodate 200,000 tons of goods and has scales that can weigh up to 40 tons of goods. In addition, there are sleeping quarters that can accommodate 80 beds, a medical clinic, radio communications system, fire house, repair garage, parking lot, office building, cooking quarters, two water supply reservoirs that can hold 45 cubic meters of water, two good condition roads that run north-south down to the Mekong River bank for a total length of 234 meters. There are also concrete canals along the road and 4 wharves with a total area of 700 square meters.

The urgent task right now is installing lights, a water supply and paving the open air storage space with concrete."

LAOS

## LOCAL POLICE NETWORK IN HOUA PHAN, PROBLEMS NOTED

Vientiane PASASON in Lao 6 May 85 p 2

[Article by Thongsai Phengmani: "Local Police Training in Houa Phan Province"]

[Text] In the office of the local police section of the police headquarters in Houa Phan Province, Comrade Sonchai of the provincial police headquarters committee who is also responsible for improving and training local police throughout the province told our reporter that after the complete liberation of the nation and the establishment of the LPDR Houa Phan has been a strategic stronghold of the revolution and a province which has determinedly paid attention to the improvement in training and strengthening of local police forces throughout the province. During the training period they encountered many difficulties because Houa Phan was a strategic stronghold of the revolution, and the enemies always hoped to destroy and to create unrest in the province. In order to dismantle the cruel schemes of the enemies and to protect the area and raise the significant role of the province it is necessary to build up and strengthen the local police forces in order to maintain normal security and strength throughout the province. Since then Houa Phan Province has carefully and seriously trained local police forces in each village and canton not only to make them grow in quantity but also to accelerate the training in the ranks of the local police forces in strong political ideology and discipline, and also to guarantee local security and to be able to dismantle and defeat the enemies' schemes. They learned a lot [as a result] of the training. The difficulties and basic tests enabled them to gain knowledge to carry out their security duty at the next level. However, it is clear that they still have to face many problems, according to Comrad Sonchai who is responsible for the local police force training of the provincial police headquarters, who explained that the local police forces are paramilitary forces. They are half-police and half-civilian in each village and family. Each individual's ideology is different. At the beginning some people had not yet absorbed and did not yet understand the local police training policy to maintain security in their own villages. Moreover, each organization at the village and canton levels had not yet absorbed the task and had inadequate equipment. Thus, the security work at the village and canton levels was not active and strict. However, after having been propagandized and trained, each level of the cadres and local police have learned the significance of police work and of security defense in their own localities. Since then more and more people have become

awakened to participate in this work resulting in peace and security in each locality. The people of ethnic groups all feel free to make a living with strong confidence in the leadership of the party and with trust in the local police forces.

Up to now the local police forces throughout Houa Phan Province have increased quite a lot. The organization has become stronger. The outstanding ones are the Xieng Kho District Police, Meuang Ed Canton Police, Sam Neua District Police, and other districts that have been able to carry out their part-military and part-police duties, have stood side by side with the military forces to fulfill all duties, and have continued to defend their beloved and cherished land.

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LAOS

## ROUTE 9 CONSTRUCTION UNITS, GOALS NOTED

Vientiane PASASON in Lao 4 May 85 p 2

[Article by Dokchan Bandeuk: "Route 9 in My Eyes"]

[Excerpts] In the eastern part of Savannakhet Province on the strategic Route 9 starting from Km 0 to Sepone (Se Banghien), the echoing of hundreds of pieces of dynamite exploding the rocks is heard continuously every day.

Of course, now that the rainy season has just begun nature will not be suitable for clearing the land. But even though there are difficulties, with their strong revolutionary spirit nothing will be able to shake the revolutionary ideology of the bridge and road construction combatants to make them discouraged, shaken, and weakened by the many obstacles.

The Route 9 construction headquarters is located in Se Tha Mouak. This famous strategic route which is now under construction is not as lonely and sad as when it was destroyed by the war 10 years ago. From Se Tha Mouak it heads toward the east to the big bridge construction site in Se Banghien in Sepone District, which is the end of the paved road from [Lao Bao] [to] the Laos-Vietnam friendship border. There are villages of the Phou Thai tribe spreading along the route, and in each section there are also huts with bamboo thatched roofs. These are temporary shelters of the construction workers on the construction sections. The construction divisions under the Route 9 construction headquarters are a garage for repairs, a mechanic's school, a driving school, a division that produced ready-made concrete crossbeams, posts and different parts of drainage pipes, an asphalt heating division, a transportation division, and a lumber mill.

From Se Tha Mouak all the way to Se No where Route 9 connects with Route 13 there are construction divisions under the Route 9 construction headquarters at many places also. For example, Road Division No 4 is responsible for filling bridge heads and putting in drainage pipes. Road Divisions No 5 and No 3 are responsible for building the [roadbed] and road surface. [Stone Divisions 1 and 2] are responsible for trampling and packing down stones on the road and for paving the road surface in order to supply stones for paving asphalt on the road surface in the expected plan of 14 km. The bridge and drainage pipe construction is important for road construction. Thus, the



Route 9 construction headquarters has set up two bridge and drainage pipe divisions. Bridge and Drainage Pipe Division No 1 is responsible for building the Houai Lakouai Bridge including many culverts. The Bridge and Drainage Pipe Division No 2 is now responsible for building the Houai Ngoua and Houai Gnapheut Bridges. These three bridges are to be completed in 1985.

9884

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LAOS

YOUTH OFFICIAL ON REFUGEES, LPRYU MEMBERSHIP

Vientiane NOUM LAO in Lao 15-30 Oct 84 pp 12, 13

[Interview with Mr Chaleun Yia Po Her, Secretary General of the LPRYU, by Mr McAlister Brown, Professor of Political Science, Researcher, US Writer on 17 October 1984, place not specified]

[Excerpt] [Question] What severe problems is the LPRYU [Lao People's Revolutionary Youth Union] experiencing?

[Answer] The damage of many decades of the American imperialists' destructive war that destroyed lives and caused confusion among the Lao people, the severe effects and residual remains of the way of life of the old regime and the American imperialists' neo-colonialism, such as prostitution, social parasitism and a luxurious way of living... There are imperialist and Beijing reactionary schemes for changing [Lao youth] by pacific methods and psywar that are destroying the Lao revolution and destroying youth groups in every form and by every means. There are illegal threats of invasion and occupation of the LPDR by reactionaries in Thai power circles. These not only touch upon the independence and sovereignty of Laos but also directly destroy the lives and spirit of LPRYU members of all ethnic groups.

[Question] How is the LPRYU set up? (for example, membership, duties, guidance and other).

[Answer] LPRYU members were organized and trained under the direct supervision and guidance of the [LPRP] Lao People's Revolutionary Party. The membership of the LPRYU consists of outstanding young people who are aware and enthusiastic and are among workers, farmers, scholars, military, security personnel and people of all classes who agree with the policies and politics of the LPRP in carrying out the development of the socialist system and enriching and strengthening the country.

Presently, the LPRYU has 185,000 members in its organization, ranging broadly from high levels to the grassroots.

[Question] What percentage of LPRYU members has fled across to Thailand? Why have they fled?

[Answer] It is difficult to give you the percentage of young people who have fled to foreign countries. Among those who flee, some do not come back, some come back, some are in foreign countries but wish to come back. The latest group is actively supporting the national defense task and developing socialism in Laos; for example, there are Lao People's Associations in France and other places.

The reason that causes them to flee abroad is, I think, that a small number do not like the new regime (LPDR) because their parents formerly were connected with the imperialists and the reactionaries who opposed the Lao revolution. After the liberation of the country, their parents fled to foreign countries and right now they are returning to destroy the country's national defense and development tasks. A large number of people fled the country because they were tricked by schemes and persuasive propaganda, bribery, incitation and deception by the American imperialists and the Lao reactionaries in exile who are aiming to unite and train these young people to return to resist the LPDR's system in various places. [That is] because they understand that their beloved country does not have a bright future. I think that when they understand clearly, they will return to struggle for the country. As for myself, similar to other young people of all ethnic groups who are the owners of the country, I always sympathize and forgive and am ready to welcome back erroneous young people anytime so that we can together defend, enrich and strengthen the country to make it step up to the same level as other, advanced countries in the world.

[Question] What is the relation between the LPRYU and the party?

[Answer] The LPRYU was founded by the LPDR. After the LPRP was founded on 22 March 1955, the party organized the Hand-to-Hand Combat Youth Association on 14 April that same year, which is now called the LPRYU.

The LPRYU is the reserve division and strong right hand of the party. It is a force that performs tasks for the party and has been a fierce fighting force of the Lao revolution at every stage.

[Question] Is there still residual discrimination against minority ethnic groups within the LPRYU? If there are problems, what are the methods for eliminating them?

[Answer] For many decades under the guiding genius of the LPRP, LPRYU members of all ethnic groups from north to south have been united under the party in heartfelt solidarity in the task of fighting against the imperialists and their henchmen to liberate the country and protect and develop socialism. In the evolution of the revolutionary struggle, every class of revolutionary young Lao people of all ethnic groups and both sexes has been the strength of the party and the Lao revolution. There are outstanding and competitive fighters, heroes of our country with experience in revolutionary struggle, conscientious LPRYU members from all ethnic groups and both sexes. There are millions of young Lao revolutionaries of all ethnic groups who are united and have deeply absorbed the ideology [of the state and the party] in their brain.

Along with this, a tiny number among the young Lao have odd ideologies or are skeptical. But it is not too big of a problem. Why do they have an odd ideology or doubts? This is not unusual because for many eras our country was constantly interfered with and invaded by foreign enemies, particularly during the time when our country became slaves under the neo-colonialism of the American imperialists, who also carried out a war that destroyed us militarily and cruelly. They poured in tremendous amounts of money to carry out psywar to destroy us and create internal divisions among the ethnic groups by establishing Vang Pao's special troops. They aimed to implement obscurantist schemes. They created divisions between the peoples of Vietnam and Cambodia, divisions between the Lao people and those who love peace and justice around the world.

Presently, the Beijing expansionists have been carrying out destructive psywar, maneuvering to break up the solidarity of LPRYU members and the Lao people of all ethnic groups by propaganda and the incitement of lies and tricks to make naive young students flee to foreign countries. The enemy incites these young revolutionaries and people of all ethnic groups with slanted psychology, by encouraging capitalist ideology. They aim to split up young revolutionaries and have them split the party, the state and the peoples of all classes.

We all are determined and holding on to correct party policies. We want to increase solidarity and promote collective mastery among the people of all ethnic groups in the nation and in the family. Regardless of ethnic background and sex, we all have the same interests and same obligations to defend the country and develop socialism. Every ethnic person and both sexes must be ambitious and struggle to help each other, respect each other in order to progress together in education and constant training with realistic practice by strongly fighting the enemy's divisive schemes. The LPRYU of all ethnic groups definitely will win.

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CSO: 4206/123

LAOS

## EDUCATION POLICY FOR TRIBAL MINORITIES DISCUSSED

Vientiane SUKSA MAI in Lao Jan 85 pp 1, 3, 5

[Excerpt] Each level of party, administrative, and education committees must solve [educational] problems and concentrate on the education task in order to implement a policy of equality among ethnic groups, to have the light of our party's and state's measures and orders, policies, and plans shine down to all tribal minorities, to bring them political ideology, civilization, progress, science, and technology to facilitate their lives and make them knowledgeable about the collective mastery of the working class and have them participate in national defense and to develop and improve cadres of different ethnic groups so that they are able to expand from small-scale production to large-scale socialist production by automation. Elementary schools must be expanded and the qualifications of tribal and different ethnic teachers must be improved in order to implement the policies concerning tribal minorities by seriously eliminating illiteracy and promoting the cultural task to the tribal peoples in mountainous areas.

Our education section has been taking charge in solving these problems fairly well, but there are still some tribal groups who still do not understand their responsibilities in education. They usually get by the easy way by avoiding difficulties. [To solve these problems], teachers from the plains areas should be encouraged to go teach in mountainous areas. Teachers themselves do not understand the importance of the education task.

During this period, education committees at every level are encouraged to firmly carry out with perseverance the implementation of the party policies that apply to minority groups. The promotion of culture must be passed on to different minority groups with the aim of making them understand the use of modern technology and production and not to be blind believers. Primary schools must be expanded and new schools and curricula suitable for tribal minorities established. LPRYU members in schools and cultural promotion schools must study and work at the same time. Schools for youth in mountainous areas must be built and boarding schools must be followed up on and well cared for. Cadres of tribal minorities must be developed. Teachers of tribal minorities must be trained in different teacher development schools. Students must be selected from among LPRYU members and from young people with low qualifications so that they improve their educational backgrounds. When they reach a certain level of education they can attend vocational schools.

For any area that still lacks native tribal minority teachers, the local education committee must exert efforts to encourage teachers from the plains to go teach in that particular mountainous area in order to strictly implement the policy approved by the Council of Ministers. When teachers from the plains have finished their terms of teaching in those mountainous areas, they must be sent for higher education. The important thing is to struggle to develop teachers who teach in mountainous areas to have ability, energy and initiative in finding ways to improve elementary and adult education and to promote culture and to have a knowledge of tribal dialects and of every area, such as politics, specialized skills, technology, art and literature.

When these things are done, this will show that our education section has correctly implemented the party policies concerning tribal minority groups. This will make the tribal minorities in mountainous area united, practice collective mastery, spread culture and maintain security, and put the three principles of the revolution into practice. The differences between urban and rural areas will be solved. This will be classified as an important achievement to commemorate the 2 great historic days of our nation.

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CSO: 4206/124



LAOS

## BRIEFS

**WORLD BANK FINANCING FOR COLLEGE**--During the morning of 8 December 1984, Mr Khamtanh Chanthala, the head of the Colleges and Vocational Schools Department, received at a meeting Mrs Carol Long, an officer of the Asia and Pacific branch of the World Bank. At this meeting, the guest and the host discussed the documents presenting aid from various organizations and loans for financing colleges and polytechnical schools in the Lao People's Democratic Republic [LPDR]. The talks, from the start to the finish, were conducted in a warm ambiance. [Text] [Vientiane SUKSA MAI in Lao Jan 85 p 2] 12597

**UNICEF PROJECT**--During the morning of 22 November 1984, Mr Kunilo Aki, the assistant director of the regional UNICEF office headquartered in Bangkok, along with a team guided by Mr Ma Unsen, UNICEF's representative to Laos, visited the printing plant of the Ministry of Education. Mr Kasi Solongkoun, the head of the printing plant, warmly welcomed the team. He reported to them that this plant has been especially successful over the 3 years of the UNICEF aid project, which was signed for 1982-1986, as the printing plant of the Ministry of Education, particularly in its operation of the machinery, printing materials and its school handbook publications products. Later, Mr Kasi invited the UNICEF team to walk around and thoroughly admire the different aspects of the plant's production activities. The team was very pleased with the results of the UNICEF aid given to the plant. [Text] [Vientiane SUKSA MAI in Lao Jan 85 p 3] 12597

**LPA TEXTILE PLANT**--Production is only in an experimental stage at the newly established plant. Therefore, few people know about it, because it is not yet officially opened. A celebration is expected on 2 December 1984 and the plant will then receive an official name from the Supply Department of the Lao People's Army [LPA]. Many years ago, a number of workers in this plant fought the enemy in the country's battle zones, including Comrade Mrs Keota, who is the head of the plant. She fought bravely many times while she was with the Xieng Khouang Province Women's Company 769. But now they are fighting to build the economy. Their bravery is not different from that in wartime. This textile plant is situated near the LPA shoe factory next to the Phon Xai Pagoda; this site was an army base during the old regime. After the liberation of the country, this army base became the LPA shoe factory and textile plant, in order to contribute to national defense and develop socialism. The textile plant was built on 1 March 1983. At the beginning, there were only 38 workers, of which 35 were women. Presently, there are a

total of 74 workers. The plant is divided into sections for weaving, dyeing, spinning, carpentry, folding and storage, and cotton selection. There are 10 weaving machines, which were given by Vietnam and technocrats from the SRV. There are two kinds of looms: 7 for plaid and 3 for striped clothing. Since the beginning of the plant, 17,718 meters of plaid and striped fabrics have been produced. Along with fabric production, the workers also have interests in improving their living standards based on the state's improvement plan, and they have vegetable gardens. In the last 6 months of 1984, they planned to build five more looms; currently, three have been completed. They will install and improve the [setup for] electricity, set up a dye boiling section and a finished clothing [operation] from the looms and use up 3 tons of cotton in continuing production, which is expected to produce 15,000 meters of fabric. [Excerpts] [Vientiane HENG NGAN in Lao 16-31 Oct 84 pp 6, 10] 12597

MEKONG PROJECT AID--The Pakcheng Agricultural Development Project is one of many projects funded by the 1981 Mekong Committee Project. The site of the project is located at Pakcheng Canton, Toulakhom District, Vientiane Province. The project started in 1982, and many parts of the project have been completed, such as the installation of electricity for 30 houses at the water pumping station, and the clearance of 100 ha of crab grass in an area north of the Nam Cheng River, of which 15 ha is for rice fields. Also, a 22 kilowatt, medium power network over a 10 km area and a 4 kilowatt power network over 9 km have been successfully installed. According to an announcement by the Secretariat Committee of the Pakcheng Trade Union Agricultural Project, 90 percent of the irrigation system for irrigating 400 ha of rice fields was completed from January to the end of September. Varieties of grain seeds appropriate for the climate of Pakcheng Canton were selected for agricultural cooperatives to experiment with, including [seeds for] sweet corn on 1 rai [1,600 square meters], 13 kinds of grass varieties for animal feed and some fruit trees. And to prevent erosion, people are being encouraged to grow wild lima beans in alternation with mid-land rice cultivation. 3,600 corn plants have been planted for experimental purposes and experiments [are underway] to grow 500 kilograms of straw mushrooms using 69 tons of fertilizers and to seed around 500 bags of fruit seeds. Project personnel are struggling to complete construction of an anti-flood system, to clear 400 ha of new rice fields which have a complete irrigation system and to continue to experiment in the selection of seedling varieties for rainy and dry season [crops]. Permanent warehouses for hay from 200 ha of low land areas and 300 ha of high land areas are to be completed. [The hay will feed 200 draft buffalo and a number of oxen and cattle]. [Excerpts] [Vientiane HENG NGAN in Lao 16-31 Oct 84 p 11] 12597

SARAVANE DISTRICT BANKING--In the first 3 months of 1985 the cadres, workers, government employees, military police, and the people of ethnic groups in Kong Sedone District, Saravane Province, deposited a total of 365,000 kip in the State Bank in their district. [Excerpt] [Vientiane PASASON in Lao 7 May 85 p 1] 9884

MONG DISTRICT SECURITY--In Hom District, Vientiane Province, the Public Security Service has improved its local security network in each village and canton where a majority of the youth are guerrillas and actively take part in the ranks of the army in order to protect this fertile land. [Excerpts] [Vientiane PASASON in Lao 7 May 85 p 2] 9884

**HOUA PHAN LOCAL GUERRILLA STRENGTH (KPL)**--In order to improve their local national defense and security, recently the administrative committee in Tham La Canton, Viengthong District, Houa Phan Province, has carefully strengthened their guerrilla unit by mobilizing over 170 more youth to become guerrillas, including over 30 women. There is also news that during the first 4-month period of this year the guerrillas in this canton also determinedly carried out their public security service in their own locality with high responsibility. For example, they patrolled 140 times, guarded over 150 times, and organized to boost production and self-sufficiency fairly well. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 3 May 35 p A7] 9884

**MONG DISTRICT LPRP MEMBERSHIP**--The first general congress of the LPRP [Lao People's Revolutionary Party] of Hom District was in session the morning of 10 April at Long Xan. Seventy-four regular representatives representing 193 LPRP members from the entire district attended the congress. [Excerpt] [Vientiane VIENTIANE MAI in Lao 13 Apr 85 p 1] 12597

**VIENTIANE CAPITAL TAX COLLECTION**--An official ceremony to review the achievements of the Finance Section of Vientiane Municipality was held on the morning of 12 April 1985 at the Elementary Finance School Club at Phone Papao, Vientiane Municipality. Dr Siho Bannavong, chairman of Vientiane Municipality, Mr Ky Khamvongsa, deputy prime minister, chief of the Finance and Revenue Section of Vientiane Municipality and Mr Bounsou, committee member of the Revenue Department of the Ministry of Finance, joined in to honor the ceremony. At the ceremony, the representative of the Finance Section Committee read out a report to the audience, which brought up examples of outstanding achievements in special tasks during last year. The Finance and Revenue Section collected a total of 484 million kip in taxes, which is 37.70 percent more than the 1984 fiscal year estimate. On the average, it is 46.86 percent more than the [fiscal year] 1983 estimate. In addition, this section also got revenues from other areas: 174,063,000 kip from state businesses, which is 32.18 percent more than the 1983 estimate, 290,584,000 kip from private collective businesses, which is 58.08 percent more than the 1983 estimate, 28,872,000 kip from agricultural taxes, which is 152.64 percent more than the 1983 estimate, 261,712,000 kip from customs taxes, which is 65.69 percent more than the 1983 estimate. These figures show the determination of the cadres of the Finance Section. [Excerpts] [Vientiane VIENTIANE MAI in Lao 13 Apr 85 p 1, 4] 12597

**COFFEE PROCESSING**--The cadres and workers of the Vientiane Coffee Plant, which is under the Industry, Handicraft and Forestry Company of Vientiane Municipality, all exerted their efforts from January through the end of May 1985 in competing enthusiastically and happily to score their achievement. They have been able to produce enough coffee to respond to consumer demand. They produced 8,327 kilograms of Coffee II and special coffee, which is 66 percent more than the 1985 projection. [Text] [Vientiane VIENTIANE MAI in Lao 13 Apr 85 p 1] 12597

**VIENTIANE DISTRICT BANKING**--Since the beginning of 1985, the cadres, workers, state employees, military, police and people of all ethnic groups of Sanakham District, Vientiane Province, have been depositing considerable savings with their local State Bank branch. [Deposits] have amounted to around 140,000 kip, of which 87,500 kip is money from the sale of the savings lottery. [Text] [Vientiane KHAOSANE PATHET LAO in Lao 17 Apr 85 p A6] 12597

**LUANG PRABANG CO-OPS**--Now throughout Luang Prabang Province there is a total of 89 agricultural co-op units with 3,690 hectares or 45.3 percent of the total cultivation area. There are over 3,800 draft animals, and the agricultural co-op members make up 59.6 percent of the total population here. [Excerpts] [Vientiane PASASON in Lao 3 May 85 pp 1,4] 9884

**HOUA PHAN TRADE, SERVICES**--The food supply store in the Houa Phan provincial municipality, which had just been set up at the end of 1983, is important and necessary. It is a guarantee to raise the standard of living of cadres, soldiers, and workers around the provincial municipal area and also for cadres, soldiers, and people from other places. The Foodstuffs Company has been paying serious and special attention to this food store, and considers its service in supplying food as its own duty [aimed at assisting] the masses to be able to use their own production fully. Another aspect is that it distributes the production of the people of ethnic groups within the province to serve the cadres, soldiers, and workers throughout, e.g., meat, fish, and different edible plants. In order to assure that this work is carried out effectively and regularly the committee responsible for food supply also extensively signed contracts with the local administrative committees within their province. Meanwhile, the small restaurant that was just set up in mid-1984 is now able to seat 16 guests, and it is open in the daytime from 1000 to 1300 hours and in the evening from 1700 to 2000 hours. They serve Lao spiced minced meat, stir-fried dishes, Lao hot sauce, curry, cooked sweet rice, noodle soup, milk, coffee, Ovaltine, etc. Throughout the past many months this store has been able to supply many kinds of food for cadres, soldiers, and the people worth 1,698,429 kip, including 39,593 kg of beef, buffalo meat, and pork, and 16,634 kg of other crops. [Excerpt] [Vientiane PASASON in Lao 3 May 85 p 2] 9884

**SAVANNAKHET BANK DEPOSITS**--In the first 3 months of this year the cadres, combatants, government employees, workers, and the people of ethnic groups in Savannakhet Province deposited a total of over 473,400 kip of their savings in the state bank. The most outstanding ones were the cadres and government employees under the provincial bank, who deposited over 297,400 kip. [Excerpt] [Vientiane PASASON in Lao 8 May 85 p 1] 9884

**LOUANG NAMTHA EXPORT-IMPORT (KPL)**--In the first 3 months of this year the cadres and workers in the Louang Namtha Provincial Trade Company all attentively and actively traded with the people. During this period they achieved each aspect of the work as follows. For domestic trade, exports were over 20 million kip and imports were over 31 million kip. As for foreign trade, they carried it out effectively. It is double the figures for the same period in 1984. [Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 2 May 85 p A2] 9884



**LUANG PRABANG BANKING**--In 1984 the cadres, combatants, workers, and people of ethnic groups throughout Luang Prabang Province deposited their savings in their provincial branches of the State Bank. During this period the total deposits were over 122,270 kip. Over 60,000 kip was from the [Lao Front military headquarters]; 18,000 kip from the provincial propaganda section; 17,000 kip from the Friendship Hotel; 14,000 kip from the Lao State Electrification Enterprise; and 11,000 kip from the provincial office. [Text] [Vientiane PASASON in Lao 4 May 85 p 1] 9884

**CUBAN DELEGATION**--Vientiane, 20 May (PANA-KPL)--A delegation of the Cuban-Lao Commission for Economic, Scientific and Technical Cooperation led by its president, Lester Rodriguez, who is also president of the State Committee for Economic Cooperation, left here on 18 May concluding an 8-day friendly visit to Laos. Bidding farewell to the delegation at Wattai Airport were Phao Bounnaphon, minister of transport and post and president of the Lao section of the joint commission and Cuban ambassador here, Mario Garcia Vazquez. [Text] [Vientiane KPL in English 0918 GMT 20 May 85 BK]

**COOPERATION WITH GDR**--Vientiane, 20 May (KPL)--A document on cultural and scientific cooperation for 1985 between Laos and the GDR was signed here on 18 May. This was in accordance with the LAO-GDR Friendship and Cooperation Treaty signed in September 1982 and the Lao-GDR agreement on cultural and scientific cooperation signed in May 1977. Signing the document were Phiang Sisoulat, deputy-minister of education, and D. Jarck, GDR ambassador to Laos. [Text] [Vientiane KPL in English 0921 GMT 20 May 85 BK]

**WOMEN'S DELEGATION TO MPR**--Vientiane, 18 May (KPL)--Mrs Khampheng Boupha, member of the party CC, president of the Lao Women's Union CC, led a delegation to Ulaan Baata on 16 May to attend the Fifth Congress of the Mongolian women there. The delegation was farewelled at Wattai Airport by Thitsol Sombatdouang, alternate member of the party CC, and Baatar, Mongolian charge d'affaires a.i. to Laos. [Text] [Vientiane KPL in English 0906 GMT 18 May 85 BK]

**CSSR ENVOY**--Vientiane, 22 May (OANA-KPL)--Phoun Sipaseut, Politburo member of the party CC, vice-chairman of the Council of Ministers, minister for foreign affairs of the Lao PDR, received here yesterday Czechoslovak Ambassador L. Kocsis who is ending his diplomatic mission in Laos. Later on the same day L. Kocsis also took leave of Sali Vongkhamsoo, secretariat member of the party CC, vice-chairman of the Council of Ministers, chairman of the State Planning Committee. In both meetings, the hosts, highly appraised the Czechoslovak ambassador's contribution to the strengthening of the fraternal relations and all-round cooperation between the two countries. [Text] [Vientiane KPL in English 0912 GMT 22 May 85 BK]

**OUTGOING CSSR ENVOY**--Vientiane, 24 May (KPL)--Phoumi Vongvichit, Politburo member of the LPRP CC, vice-chairman of the Council of Ministers received here yesterday Czechoslovak Ambassador Ladislav Kocsis, who is ending his diplomatic

mission here. During the warm and cordial meeting, P. Vongvichit highly appraised the ambassador's contribution to the strengthening of the fraternal relations and all-round cooperation between Laos and Czechoslovakia, and wished him success in his new mission. [Text] [Vientiane KPL in English 0907 GMT 24 May 84 BK]

FRIENDSHIP MEDAL--Vientiane, 28 May (OANA-KPL--Phoun Sipaseut, Politburo member of the LPRP CC, vice-chairman of the Council of Ministers, minister for foreign affairs, presented here yesterday a friendship medal of the Lao Government to Czechoslovak Ambassador Ladislav Kocsis, in acknowledgement of his contribution to the promotion of the friendly relations and cooperation between Laos and Czechoslovakia during his diplomatic mission here. Ambassador Ladislav Kocsis thanked the Lao Government for the award. [Text] [Vientiane KPL in English 1010 GMT 28 May 85 BK]

NATIONWIDE BANK DEPOSITS--In 1984 all banks throughout the nation under the guidance of the Central Bank and the administrative committees of different levels around the center and in localities mobilized each other to actively deposit their savings. As a result they exceeded the yearly plan by 40.52 percent by receiving a total deposit for the full year of over 39 million kip. This was an increase by a factor of 4 when compared with the figures for 1983, resulting in an over 20-million kip increase in the capital saved for the government. In this Champassak Province was the outstanding one; it deposited 11.7 million kip and was able to save 7.6 million kip for their own local funds. Around the center the deposit was 8.8 million kip and its funds were 5 million kip. Vientiane Capital deposited 5 million kip and its funds were 4.5 million kip. Savannakhet deposited 2.3 million kip and its funds were 2.3 million kip. Houa Phan deposited 2.2 million kip and its funds were 2 million kip. Saravane deposited 1.8 million kip; its funds were 1.4 million kip. Luang Prabang deposited 1.3 million kip and its funds were 1.1 million kip. Vientiane deposited 1 million kip and its funds were 1.1 million kip. [Excerpt] [Vientiane VIENTIANE MAI in Lao 1 May 85 pp 1,4] 9884

CSO: 4206/134



MALAYSIA

CALM HANDLING OF MALAYSIA-PRC TRADE URGED

Selangor KIN KWOK DAILY NEWS in Chinese 29 Mar 85 p 2

[Commentary: "Calmly Handle Malaysia-PRC Trade"]

[Text] All these years the question of Malaysia-PRC trade has apparently become an unresolvable problem. Thus, it has become an issue for government-to-government dispute, and between government and people. To be blunt, it has changed into a sensitive issue. In fact, this phenomenon has cropped up mainly because the authorities, in handling the matter, have performed some irregularities; yet, no such unexpected difficulties would arise when the authorities handled similar matters involving other foreign countries. The problem is that whenever the business is related to China, it is invariably viewed with prejudice, and this preconceived idea unavoidably leads to unpleasant disputes.

As a matter of fact, the point of departure of all actions of ethnic-Chinese Malaysian citizens is based on Malaysia's interest. This point should not be questioned by anybody. When a local Chinese businessman has trade relations with the PRC, he naturally takes Malaysia's interest as the dominant factor, and he will absolutely not commit any impermissible behavior that would be detrimental to the country. This is a creed firmly adhered to by Chinese businessmen.

Perhaps certain quarters may doubt why we want to have the China trade restrictions relaxed and the ban on certain commodities lifted. The reason is that China is a huge market, and our businessmen hope to understand better the market conditions in various Chinese cities, so they can market their products over there. Also, we hope to be able to import inexpensive Chinese goods to fill the needs of our people. All this is purely business with our nation's interest as the starting point, and there is no other purpose.

Take last year's mandarin orange incident as an example. The Chinese nationals' self-denial of not eating mandarin oranges was meant as a protest against the authorities' unfair handling of the matter, but to the PRC this was a big loss, because their mandarin oranges lost our market, involving a shortage of millions of dollars of income in foreign currency.

Therefore, we believe that if the authorities treat and handle any work equally without discrimination, irrespective of country, many unnecessary incidents can

be adverted. We have always stood for anti-monopolistic business and fair competition. Furthermore, we also stress that in a country of free society, the tenet of free trade competition must be firmly maintained and carried out, especially in our complex society. Otherwise, many innecessary, unpleasant incidents are bound to crop up.

We have always been in favor of adopting a direct bilateral trade relationship with China. We do not hope any third country to reap benefits and to affect prices. However, in handling this problem, the authorities adopt an overcautious attitude. While on the one hand they encourage nongovernment businessmen to deal directly with China, they daw up numerous regulations to hinder the smooth operation of such direct trade on the other. This is an indirect blow to the businessmen.

The other day, in reply to an interpellation in Parliament, Foreign Minister Rithauddeen divulged that the government has set up an inter-governmental committee, which is headed by the Foreign Ministry, to promote direct, bilateral trade relations with the PRC. The foreign minister expressed hope that Malaysis-PRC trade should not be conducted by one particular nationality nor monopolistic in nature. This is precisely what we have stressed and hoped for.

As a matter of fact, if Malaysia-PRC trade can be calmly handled without preconceived ideas or an overemphasis on government-to-government relationship, we believe that the bilateral trade will progress smoothly with its volume mounting steadily. This will bring benefit to both countries.

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CSO: 4205/27

MALAYSIA

DIFFICULTY IN OBTAINING PERMITS TO VISIT CHINA REPORTED

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 30 Mar 85 p 1

[Text] Beginning April last year, it became extremely difficult to obtain a permit to visit China for family reunion or as a tourist, and more than half of the applications were put aside from consideration for a whole year, it is learned.

Around here there are many travel bureaus which specialize in arranging China trips for their clients. Three of these agents have a success rate of a little over 10 percent, as 90 percent of the applications have been shelved. A fourth travel bureau enjoys a 50 percent rate of success.

Many applicants who applied for a permit to visit China early last year have not received word one way or the other from the authorities, according to the travel agencies.

A spokesman of China tourism business said since 1 January this year, about 750 persons have filed applications to visit China, but only 179 have been approved.

He said that last year there were a total of 4,200 applications, but about 90 percent of them have not heard anything about their applications. Some of them submitted their applications as early as February 1984.

He added that the delay in processing the applications is more serious now than in the past.

He said that in 1982 the authorities relaxed the restrictions by allowing persons over 65 years old to take one trip to China freely, without official interrogation.

Today, however, all applications must undergo questioning by the political section of the security authorities, no matter whether they are over or under 65 years of age, and only then can they proceed to the Immigration Department for further processing. In effect, the relaxation of restrictions has not brought about any major convenience, because it still takes a long time to approve an application.

The spokesman said those who apply for a trip to China for medical reasons must also go through the same long procedure, even requiring a certificate from the Health Ministry. At least 7 to 8 months are needed to get a reply from the

authorities, one way or the other, and by then most seriously ill applicants would have looked for some other way for medical treatment.

Another source from another travel agency said that he had advised many prospective clients with major ailments to seek medical treatment through some other channel, because of the complicated procedure to get a permit for a medical pilgrimage to China.

He confirmed that in the past those over 65 years old could freely visit China, but not anymore. According to a new policy, every applicant must undergo a period of questioning. Also, a person under 65 who wishes to go to China to visit his family or relatives is required to produce at least 3 letters and a photograph received from China during the past 3 years (one letter per year). A person who has visited and returned from China must wait for another 3 years before he is qualified to file a second-time application.

It is learned that a local travel agency called Hwa Yaik Company used to organize weekly trips to China for groups of persons who wanted to visit their relatives, each group comprising about 30 persons. Today, the tours have been curtailed to once a month, because fewer and fewer applicants managed to have their requests granted, and each group now comprises 10-odd persons.

A spokesman for the Lo Thiam Kong Travel Bureau, which specializes in organizing trips to China for family reunion purposes, said that during 1983 there were 2 tours to China per week, each consisting of about 20 persons, but today the tours have been reduced to 2 groups for every 3 months. each group comprising between 10 and 20 persons.

He said that between April last year and March this year, among those who entrusted this travel agency with application for a visit to China, some 700 to 800 applicants have not heard any word from the authorities; only 10-odd percent of its clients have their applications approved.

He said that based on past experience, it usually took 3 to 4 months to get a reply, but now it may drag on until 2 years without hearing any word.

The spokesman for the travel division of the Friendship Store said that during 1983 it organized a trip to China once a month, with 10 to 30 persons participating each time, but today such trips are few and far between.

He said that in 1984 about 1,000 persons entrusted this service company with handling the applications, but about half of them have not heard anything one way or another up till now; three of them have waited for one whole year. Since 1 January this year, about 100 persons have sent in applications, but so far none has been approved.

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CSO: 4205/27

MALAYSIA

PROSPECTS FOR NATIONAL ECONOMY VIEWED

Selangor KIN KWOK DAILY NEWS in Chinese 1 Apr 85 p 2

[Commentary]

[Text] According to the Central Bank's Annual Economic Report published the other day, our national economic growth rate last year reached 7.3 percent, which is better than anticipated.

However, the report made a pessimistic forecast of the economic growth rate for this year, saying that the rate will drop to between 5.5. and 6 percent.

Traditionally, the United States, Japan, Singapore and the European Common Market have been our major trading partners. During the past year, the world's economy turned for the better, with America giving the best performance. This was one of the reasons why our national economy performed much better than expected last year.

Statistics show that the volume of our export trade increased 13.9 percent last year, particularly the export of our finished products.

In the field of agriculture, palm oil export showed the best performance, as its price rose steadily. Last year's financial reports of several large plantation companies in our country showed that these firms made handsome profits from palm oil.

In sum, our contry's economic performance last year was not bad, and we should feel satisfied if it is compared with several Southeast Asian countries. But, can we maintain this condition this year? This is a problem worth our study.

The main reason for the Central Bank's pessimistic attitude toward our national economic growth this year is based on its prediction that several industrialized countries will undergo a slowdown in economic growth, and this point will adversely affect the export volume of our primary products.

Generally speaking, the viewpoint of economists is that U.S. economic recovery will probably encounter some obstruction this year, caused by increases in interest and the national budget deficit. And as the world's free trade fundamentally takes the United States as the dominant factor, an



obstruction to U.S. economic recovery will most likely lead to a comeback of world economic recession, which naturally will also mean a major blow to our country.

In October last year, our government announced that beginning this year we will adopt the new policy of reducing our oil production. This measure means that our revenue within this year will be reduced by as much as M\$1 billion, which will have a major effect on our total national income.

To resolve the crisis in bumiputra banking, the National Petroleum Corporation of Malaysia [PETRONAS] once put to use huge amounts of money, a move which naturally can be a burden on the financial expenditures of public bodies.

In recent years, to meet various development expenditures, our government has been continually raising its domestic and foreign debts, and the interest we have to pay annually for the loan has already become a heavy national burden.

By 31 December 1984 the debt our country must pay back totaled M\$57.7 billion, of which M\$36.6 billion are domestic loan and M\$21.1 billion are foreign loan.

In the wake of the predicted slowdown in economic recovery of the world's industries, it is anticipated that our trade deficit will exceed M\$900 million, as our foreign trade gap will grow wider this year.

Viewed from the various conditions above, our country economic performance this year will be far from optimistic. It is not without reason that the Central Bank has forecast that our economic growth rate will drop to 5.5 or 6 percent this year.

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CSO: 4205/27



MALAYSIA

MCA-GERAKAN JOINT COUNCIL FORMED

Joint Statement

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 2 Apr 85 p 3

[Text] Leaders of the Malaysian Chinese Association [MCA] and the Gerakan Rakyat Malaysia (GERAKAN) [Malaysian People's Movement] today signed an agreement, formally clinching the formation of an MCA-GERAKAN Joint Council.

In a public statement issued after the signing ceremony, the two parties said: "The MCA and GERAKAN must reexamine their existing interrelationship, seek ways to strengthen the common grounds for the grassroots level of both parties.

The statement said further that delegates of both sides will meet every now and then in the spirit of the National Front to attain for the better their common objectives.

The joint council is made up of 10 members, 5 delegates from each party, including the party's national president, deputy president, general secretary and 2 members of its central committee. The two presidents of the parties assume the office of joint chairmanship of the council.

The joint council may set up various bureaus to push all kinds of activities.

The MCA-GERAKAN Joint Council's work program states that it welcomes the Sarawak United People's Party [SUPP] to become an auxiliary member of the council in order to take part in the council's activities, especially in debates involving national issues.

Datuk Neo Yee Pan pointed out that although uniraical MCA and multiraical GERAKAN pursue different political lines, this point will not affect the activities of the joint council. He said the council will give prominence to common issues.

In reply to reporters' questions at a press conference, Datuk Neo said that Tan Koon Swan has already accepted to take up the post of council member as an MCA delegate. But Datuk Neo refused to divulge the name of other MCA delegate.

Datuk Lim Keng Yaik told the news conference that Datuk Goh Cheng Teik and Gurusamy Ratnasingam will represent the GERAKAN in the council.

Asked whether the council would welcome the participation of the Democratic Action Party [DAP], Datuk Lim said: "As long as the DAP accept the council's objective of seeking the welfare of the country and people, we would welcome it."

He pointed out that the formation of this joint council will enable the two component parties to play a more effective role in the National Front organization.

As regards the possibility of merger between the two parties, Datuk Lim said: "It is difficult to say about the future. Everything will depend on the developments, but if the circumstances are right, anything can happen."

Asked whether the National Front chairman, Datuk Sri Dr Mahathir, has agreed to the formation of the joint council, Datuk Neo said: "To be fair, you will have to ask him direct."

The council has not set a date for its first meeting.

Representing the MCA in today's signing ceremony were Datuk Neo Yee Pan, Datuk Mak Hon Kam, Tan Sri Chong Hon Nyan and Ong Seng Chiu.

The GERAKAN was represented by Datuk Lim Heng Yaik, Datuk Leong Khee Seong, Kuok Chu Chen, Song Tiao Heong, Goh Cyeng Teik, Ou Siao Seang, Yap Chee Kean, Gurusamy and Guan Swee Hock.

The full text of the MCA-GERAKAN joint statement reads as follows:

"Most recently, leaders of the Malaysian Chinese Association and the Malaysian People's Movement have held many meetings to discuss the formation of a closer mutual understanding and relationship within the framework of the National Front. We believe that it is essential to promote the interchange of members of both parties and to establish a harmonious political relationship in order to eradicate unnecessary confrontation at the grassroots level. This will strengthen our spirit of solidarity essential for our presence in the National Front.

"In this context, the MCA and GERAKAN must reexamine their existing inter-relationship, seek ways to strengthen their common points in the grassroots level and at the same time minimize their differences. In view of the above, the talks between leaders of both parties were concentrated on how to attain common objectives with optimum result through the spirit of the National Front.

"The leaders of both parties have agreed to form a joint council whose members will meet occasionally to realize the aforementioned relationship. On 31 March, 1985, MCA's and GERAKAN's central committees separately held a meeting, during which they discussed and accepted the work program of the joint council. Thus, the MCA-GERAKAN Joint Council was formally established today.

"We hereby call on all MCA and GERAKAN members to pull their wisdom and efforts and jointly strive for the political stability and unity of our country."

The work program of the MCA-GERAKAN Joint Council reads as follows:

"The MCA and the GERAKAN believe that Malaysian people have the common aspiration to establish a just, fair and prosperous society on the basis of the spirit of human rights, democracy, our national constitution and state principles.

"Both parties believe that there is urgent need for the people to promote national unity and harmony to resist extremism, racism, chauvinism and other negative forces which have always threatened the nation's political stability.

"Both parties are also conscious of the fact that both parties must wipe out all divergent opinions caused by historical factors.

"Consequently, as responsible and vigorous members of the National Front coalition, both parties hereby announce the formation of the MCA-GERAKAN Joint Council as a concrete step toward mutual cooperation for the consolidation of their capability and effectiveness in seeking the interest of the country and people.

"The MCA-GERAKAN Joint Council seeks to accomplish the following points:

1. To promote the understanding and cooperation between the rank and file of both parties;
2. to carry out joint programs in economic, educational, cultural, local affairs and other fields;
3. to adopt a common stand and measures vis-a-vis national issues;
4. to create a favorable atmosphere for racial harmony and national unity.

"The joint council will be composed of five persons from each side, including the president/national chairman, deputy president/deputy chairman, general secretary, and two appointed delegates.

"The joint council will serve as the political forum for both parties for the discussions of all matters involving their common interests. It will draw up a set of procedures for the implementation of their terms of reference and the making of decisions on the basis of unanimity. The joint council's secretariat will be made up of secretaries of both parties.

"The MCA and the GERAKAN welcome the Sarawak United People's Party [SUPP] to join the council as an auxiliary member, so it can join the council's activities, especially in the discussions involving national issues."

#### Lim Kit Siang's Comment

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 3 Apr 85 p 3

[Test] Lim Kit Siang said that if the MCA and the GERAKAN want the people to believe that they are the new liberator for Chinese nationals, then the MCA-GERAKAN Joint Council should announce how these two political parties can rescue the Chinese.

He pointed out that in forming the joint council, both parties were merely trying to shift the attention of the Chinese, with the hope that the people would forget the parties' failures in "making a breakthrough for Chinese interests" and "correcting the National Front from within."

He said that both the MCA and the GERAKAN are hoping to attract the attention of the Chinese by resorting to a slogan more hollow than those used in 1982.

Furthermore, Lim Kit Siang said, to consolidate the position of the ruling factions within both parties, it is necessary for the MCA and the GERAKAN to readjust their political strengths, so that the ruling factions can set up an alliance to cope with factional challenges within the parties.

"The result of the internal power struggles within the MCA and the GERAKAN is that the dispute between the ruling Neo faction and the challenging Tan Koon Swan faction, and the gap between the ruling Lim Keng Yaik faction and the challenging Chen Wing Sum faction, have far exceeded in severity the gap between the MCA ruling faction and the GERAKAN ruling faction," Lim Kit Siang said.

The DAP general secretary made these remarks at a press conference today.

He said that although at the joint council's inaugural, MCA and GERAKAN leaders appeared like first-time acquaintances or a reunited couple after 20 years' separation, they have actually been mingling with one another all these years as cabinet ministers, Parliament and state assembly members, as well as municipal and county assembly representatives. In all these meetings, they are able to relegate all differences in opinion, collaborate shoulder to shoulder and wholeheartedly support all political, economic, educational, cultural and religion policies drawn up by the United Malays National Organization [UMNO] in the spirit of solidarity of the National Front coalition government.

"Although the dispute between the Neo and Tan factions within the MCA created a sensation, yet politically speaking there is no difference between them. By the same token, although they keep bickering to get the No 2 position in the National Front, there is not the slightest difference between the politics of the MCA and the GERAKAN," Lim said.

He held that the original idea of the formation of the National Front was to attain greater unity among its member parties, but now a small unity between the MCA and the GERAKAN is being sought within the National Front. This is simply a big mockery.

"What is more ridiculous is that the MCA-GERAKAN Joint Council is being formed at a time when both parties are experiencing a big internal dissension. Surely, a disarrayed MCA and a disarrayed GERAKAN can only form a disarrayed joint council."

Lim Kit Siang said at the 1982 general elections, the MCA promised to make a "political breakthrough" to obtain Chinese rights and interests, while the GERAKAN carried the slogan of "break into the National Front and correct the



National Front." Three years later, however, there is no sign of a political breakthrough for the Chinese nor correction of the National Front from within. On the contrary, we have lost much more rights and interests in various fields today than what we lost between 1957 and 1982.

"What has astonished me is that after 28 years of national reconstruction, it is only now that the MCA and GERAKAN begin to admit that 'the Malaysian people have a common aspiration to establish a just, equal and prosperous society' and that 'there is urgent need for the people to promote national unity and harmony'."

Lim said past performances of both MCA and GERAKAN failed to show that they recognized these two major points. Their consciousness has now been molded by the UMNO. Their understanding and definition of political power is different from the DAP's.

He said that it is the belief of the DAP that whoever tries to enforce a policy which violates the spirit of multiculture, multilanguage, multirace or multi-religion is regarded as an advocate of "extremism, racism and chauvinism."

"Consequently, the DAP opposes the National Front's cultural policy of one language, one culture and national assimilation, its Islamization policy, its electoral redistricting plan, as well as other new policies created after the 1982 general elections," he concluded.

#### SIN CHEW JIT POH's Comment

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 3 Apr 85 p 24

[Editorial: "MCA, GERAKAN Form Joint Council"]

[Text] The closely-watched, long-brewing cooperation between the MCA and the GERAKAN has finally become a reality, as leaders of both parties formally signed an agreement on 1 April for the formation of MCA-GERAKAN Joint Council.

The joint statement issued by both parties expressed hope for the promotion of an interflow between the ranks and files of the parties concerned, and the establishment of a harmonious political relationship with the view to wiping out unnecessary confrontation feelings in the grassroots level. The statement also indicates that the parties will carry out a common program in the nation's political, economic and education and cultural realms, as well as create a favorable atmosphere for racial harmony and national unity.

Judging by the contents of the statement, leaders of both parties will henceforth focus on how to achieve better mutual understanding and closer relationship within the National Front framework, and, on this basis, how to solve the problems faced by the country and people.

The GERAKAN is a multiracial political organization, while the MCA, up to now, still represents a uniracial political party. All these years there have been discrepancies in the service targets and struggle objectives between the two parties, blurring their mutual feelings and relationship.

In the past they have collaborated on many occasions, all based on their respective narrow political benefit, mainly to defeat their opposition parties but never to involve deeply the interests of the country and people as a whole. Though outwardly the collaboration started off well, yet it failed eventually, because each tried to cheat or outwit the other.

This time, the fundamental content of the MCA-GERAKAN Joint Council statement is more solid and complete than any cooperation announcement in the past. It may be described as a summit cooperation, except that such cooperation, to a great extent, will depend on the following facts: Contradictions between ruling and opposition parties are going from bad to worse, there are internal cracks within the MCA and the GERAKAN, and the date for the next general elections is to be moved up.

Can a cooperation under such foundations and aspirations enjoy the full trust of the Chinese society?

As a matter of fact, MCA Acting President Datuk Neo Yee Pan recently let it be known that the strengthening of cooperation between Chinese-based political parties absolutely does not mean that they want to have a confrontation with other member parties of the National Front coalition; such cooperation is aimed at the better consolidation of the National Front, so it can, under common efforts, more effectively cope with the challenges of the opposition parties.

Since the MCA-GERAKAN cooperation carries a meaning for coping with the opposition parties, this coincides with our country's political fact of long-term struggles between ruling and opposition parties. On this point we have no cause for much criticism, but the problem is that, if the MCA and the GERAKAN concentrate their force in defeating the opposition parties, then it is possible that many issues which are not stirred up by the opposition parties--such as the worsening of the Chinese position in political, economic and education and cultural fields--will become relatively more difficult to fight for and resolve through various channels.

Under the present historical conditions, apart from strengthening and consolidating their political force and enhancing their political status within the National Front, the cooperation between the MCA and the GERAKAN should relate to the nation's major problems, particularly those problems of immediate or vital interests of the Chinese nationals, should fully consider the common interests of Chinese society and firmly maintain that state and national interests are higher than personal and political party benefit. Only such cooperation has significance.

During the past several decades, political parties with ethnic Chinese members as their main body, particularly the MCA, never enjoyed the recognition and appreciation of the majority of the Chinese people. Even their lofty, grandiloquent theories cannot evoke their interest. It appears that in order to obtain the massive support of Chinese society, the most important thing for the MCA and the GERAKAN to do is that in their political practices from now, on they must always pay attention to the basic problems of the ethnic-Chinese people and safeguard their rights and interests.



PHILIPPINES

RAMOS RECEIVES REPORTS ON NPA GAINS, SETBACKS

HK241509 Manila BULLETIN TODAY in English 24 May 85 pp 1, 13

[By Jose De Vera]

[Text] Tuguegarao, Cagayan--Lt Gen Fidel V. Ramos, acting Armed Forces chief of staff, was told in a briefing here Tuesday that the Government's intensified counterinsurgency operations have set back the revolutionary development of the Communist Party of the Philippines (CPP) and its military arm, the New People's Army (NPA), in the region.

The briefing for Ramos was given by Brig Gen Alexander L. Felix, commander of Regional Unified Command (RUC) II.

But in Tabuk, Kalinga-Apayao, Ramos was informed by Governor Armand B. Almazan and other Kalinga-Apayao officials that "subversive terrorists are gaining ground in the province."

Almazan urged the acting AFP chief to send an additional army battalion to Kalinga-Apayao to fight the insurgents.

In the military briefing, Felix said that the CPP-NPA groups operating in Region II cannot confront the Armed Forces in sustained, large-scale combat operations.

Felix, however, admitted that the insurgency problem has remained a major factor as he placed the strength of the NPA in the region at 1,037 regulars armed with 900 assorted firearms with about 12,000 support elements, a mass base of around 98,300, representing 4.4 percent of the population of the region.

The region is composed of seven provinces, 117 towns, 2,722 barangays with a population of 2.3 million people. The provinces are Cagayan, Isabela, Nueva Vizcaya, Kalinga-Apayao, Ifugao, Quirino, and Batanes.

As of today, Felix said a total of 541 barangays (20 percent) are considered threatened and 343 (13 percent) are either influenced or infiltrated."

The most affected provinces, according to Felix, are Kalinga-Apayao, Isabela, Cagayan, and Ifugao, in that order.

Felix said that 22 out of the 117 towns in the region are classified as "embattled towns"—11 in Kalinga-Apayao, 4 in Cagayan, 3 in Isabela and 1 in Nueva Vizcaya.

Felix said that as of last count, there were 38 CPP-NPA encampments, training camps, and bases throughout the region.

Of these, he said, 15 were in Cagayan, 14 in Isabela, 7 in Kalinga-Apayao, and 2 in Ifugao. He said the number of rebels in the camps ranged from 10 to 70.

Lately, Felix said the NPAs have pursued their "Operation Sweet Elephant"—forced taxation of logging companies—as well as "Agaw Armas" (firearms snatching) and marijuana cultivation to enhance their party and firearms build-up, Felix said.

CSO: 4200/988

PHILIPPINES

DEBT NEGOTIATIONS WITH BANKS TO START IN JULY

HK281421 Manila BUSINESS DAY in English 28 May 85 p 2

[Text] Negotiations with each of the country's over 400 creditor banks for individual debt restructuring agreements will start sometime in July, after the Philippine government and the International Advisory Committee finalizes a "master" debt restructuring document, Prime Minister Cesar Virata indicated during yesterday's "Kapihan sa Maynila" [Manila Coffee Shop] breakfast conference.

Central Bank [CB] Governor Jose B. Fernandez Jr, who was also a guest at the conference, hinted at the tedious process involved in finalizing the individual restructuring agreements. "It would take literally hundreds of individual agreements," he said.

What the Philippine Government so far has done, foreign bankers had explained, is to reach an agreement solely on restructuring principles with the Advisory Committee representing the country's largest creditor banks. These principles include such aspects as the type of debt that is subject to restructuring, the maturities of the restructured debt and interest rates. The "master" restructuring document Virata mentioned refers to the details of the restructuring principles, that would, among other things, take into account the complex legal requirements of each of the creditor banks' countries.

Each creditor bank, however, would have to draw up with its Philippine debtors separate restructuring documents for each of their loan exposures. Ranking CB officials had explained early this year that such a process would take at least a year to undertake, which means that the country may have to start a new round of negotiations for restructuring debts that are included in the present package as soon as all the individual restructuring documents are signed.

The moratorium on repayment of the Philippine's debts imposed in October 1983 will continue until all agreements on restructuring \$5.8 billion of the country's debts have been signed, Virata explained.

BUSINESS DAY sources said that a kind of "deadline" has been set for the country to wrap up about half of the individual restructuring agreements. This rough "deadline" is 15 November this year, when the country is scheduled to make the third and last P [pesos] 350-million drawdown on the \$925-million new commercial loan from the banks. One of the terms of the new money facility is that the

Philippine Government must have finalized individual restructuring agreements covering at least 50 percent of the debts to be restructured before it can draw on the last [word indistinct] of the new money facility. If it fails to comply with this condition by 30 June 1986, the last drawdown may be cancelled.

Virata also estimated that he expects the restructuring documents with each of the country's creditor governments to be finalized within the third quarter of this year.

The prime minister in yesterday's breakfast conference said economic targets this year stipulate a real gross national product (GNP) growth of 0 to 1 percent. Trade and Industry Minister Roberto Ongpin, in contrast, had forecast a GNP growth rate this year of up to 2.5 percent. Virata explained that the estimates indicate a gross domestic product (GDP) growth for agriculture of between 2 percent-3 percent and a GDP growth for industry of between 0 and 1 percent.

The prime minister said economic growth would resume in 1986 and would level off in the 4 percent to 4.5 percent range for the rest of the decade. He noted that the country's GNP growth cannot equal the 6.5 percent-7 percent range that had been achieved during the 1970s.

CSO: 4200/988

PHILIPPINES

POPULATION NOW MORE THAN 54.9 MILLION

HK290533 Quezon City ANG PAHAYAGANG MALAYA in English 17 May 85 p 4

[Text] The Philippine population, officially 48 million in the last official count in 1980, has exceeded the 54.9-million mark.

Increasing geometrically at an average rate of 2.71 percent every year, national census statisticians have placed the Philippine population at 54,978,742 this year.

It has gone up by 6.8 million from the official reported 48,098,460 after the last official count in 1980, census officials said.

The heaviest concentration of people is still in Luzon where more than half (54.22 percent) have settle, according to the Census and Statistics Office.

The central Philippine island group of the Visayas holds less than a quarter (23.10 percent) and the major southern Philippine island of Mindanao holds only a little more than one-fifth (22.68 percent) of the country's population, census officials said.

CSO: 4200/988

PHILIPPINES

NPA SET FIRE TO TOWN, CLASH WITH TROOPS

HK280033 Manila METRO MANILA TIMES in English 26 May 85 pp 1, 2

[Text] Tuguegarao, Cagayan--Fourteen people were killed and four were wounded when communist guerrillas raided and set fire to buildings in a town in the northern Philippines, a senior military officer said yesterday.

Brig Gen Tomas Manlongat said eight soldiers, two civilians and four New People's Army (NPA) guerrillas died in a 3-hour battle in Kapugao, about 400 kilometers north of Manila, early yesterday. Four soldiers were wounded.

He said the rebels burned down the town hall, a military building and several houses before fleeing with more than 300 assorted firearms seized from the military and civilians.

The size of the rebel force was not immediately known.

Meanwhile, 10 New People's Army (NPA) dissidents, including two commanders, were killed in separate encounters with government troops in Camarines Sur, Agusan del Norte and South Cotabato over the weekend, the military announced yesterday.

Two other dissidents were wounded and two others were captured, Camp Aguinaldo said.

The encounters also resulted in the recovery of nine high-powered firearms, three pistols, two hand grenades and communist propaganda documents.

In Agusan del Norte, elements of 420th PC [Philippine Constabulary] Company encountered a group of NPA terrorists while on combat patrol in Sitio Pirada, Barangay del Pilar, Cabadbaran.

Two NPA commanders were killed in the ensuing firefight, according to Col Benjamin Ignacio, PC Region 10 commander.

Ignacio identified the slain NPA commanders as Amado Labmingit, alias "Commander Prak" and Roxan Torres, alias "Commander Rejan."

Recovered from the scene of the encounter were one .380 caliber pistol, one .22 caliber revolver and communist propaganda materials.



In Camarines Sur, Col Renato de Villa, PC Region 5 commander, said six NPAs were killed and two others were wounded in a gunbattle with local police and PC elements in Sitio Gapo, Barangay Antipolo, Nimalabac.

Recovered from the slain terrorists were two Armalites, one Belgian-made Fal rifle, three shotguns, one Springfield and one .22 caliber rifle.

The identities of the slain terrorists were not immediately available.

In South Cotabato, government security forces encountered an undertermined number of terrorists in Sammy Rivera, Tupi, resulting in the killing of two terrorists and the capture of two others.

Three troopers were wounded in the gun battle.

A report from Brig Gen Jaime Echevarria, Regional Unified Command (RUC) 11 commander, identified the captured NPAs as Roberto Macalisan and a certain "Marvin."

Recovered at the scene were 2 hand grenades, one .45 caliber pistol and 14 bullets.

The identities of the slain terrorists were not made available.

CSO: 4200/988

PHILIPPINES

BRIEFS

**TROOPS HIT NPA CAMP**--Government troops overran a training camp of the NPA in Sadanga, Mountain Province, last Thursday. Four dissidents were killed during the attack. A member of the assault team, the Delta Company of the First General Headquarters, was also killed during the 45-minute gun battle. The military operation resulted in the discovery of a 17-hectare marijuana plantation being cultivated by some residents under the NPA's supervision. [Text] [Quezon City Maharlika Broadcasting System in English 1100 GMT 26 May 85 HK]

**INTERNATIONAL ECONOMIC TALKS**--The cabinet yesterday [28 May] discussed a broad range of economic and trade matters to firm up the country's negotiation position in the forthcoming bilateral and multilateral talks with foreign governments and international institutions. The cabinet also examined the recommendations on bilateral economic relations between the Philippines and the United States, economic issues affecting the Association of Southeast Asian Nations, and other issues to be taken up in various regional and international meetings. These meetings include the second ASEAN-Japan economic ministers' meeting in Tokyo 27-28 June and the ministerial meeting on global systems of trade preference among developing countries in India on 26-27 July. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 28 May 85 HK]

**ABUSES BY SECRET MARSHALS DENIED**--Western Police District Superintendent Brigadier General Narciso Cabrera has denied charges of alleged abuses by the police secret marshals or crime busters. However he welcomed proposals for a Batasan investigation of the police special teams to protect the good name of the special units who have been risking their lives to protect the people. General Cabrera's statement was a reaction to the charges made by member of Parliament Eva Estrada Kalaw at the Batasan last Monday. Mrs Kalaw denounced the police secret marshals and urged President Marcos to disband them immediately. General Cabrera accused Mrs Kalaw of demagoguery in hurling unsubstantiated charges against public servants. He said the police have documented proof for each and every cases cited by Mrs Kalaw. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 28 May 85 HK]

**NPA ATTACKS REPORTED**--Manila, 29 May (AFP)--At least 20 people were killed in an attack by communist New People's Army (NPA) rebels in a central province Thursday, the official Philippine News Agency (PNA) reported today. This brought to at least 36 the total death toll in reported attacks by NPA guerrillas on military units in the central Philippine Islands in the past week. PNA said 15

dissidents, 4 troopers and a local government official were killed in the Thursday attack on a military patrol base in Maslog Town, Eastern Samar Province, some 600 kilometers (373 miles) southeast of here. Eleven elite army rangers and five civilians were killed when NPA guerrillas riding dump trucks ambushed a military headquarters in Isabela Town in Negros Island near Samar, military officials earlier reported. [Text] [Hong Kong AFP in English 0454 GMT 29 May 85 HK]

ARMY APPEALS FOR CIVILIAN COOPERATION--[In English] Here's a report from Elvi Pineda: [Begin recording] This is a report from the Philippine Army. Deputy Defense Minister for Civil Relations Carlos B. Cajelo, stressed the need for closer cooperation between civilian and military leaders in maintaining peace and order in the country. Cajelo addressed top-ranking officers of the army under Maj Gen Josephus Ramas at Fort Bonifacio this morning. Cajelo said that the active participation of civilians and officials will assist the military campaign in preempting the agitation propaganda and infiltration activities of elements of the New People's Army in the country. He said it is also the prime duty of local governments to spearhead the campaign against subversives, even as he urged military leaders to extend full assistance and to intensify their campaign in winning the people's hearts and minds to the side of the government. Cajelo said that intensive civic action in the countryside helps enhance the credibility of both civilian and military institutions. He said there are some areas where [words indistinct] the work being done by the engineer brigade on account of the hazards and the need for early completion. In other places where civilian construction is advisable, the military have to give protective cover to the workers. Military participation can project a good image for the Armed Forces, and to that extent, assist the anti-insurgency campaign, Cajelo added. Likewise, Cajelo stressed the need for continued strict discipline and proper behavior for every soldier, which will help enhance the military's credibility. This is Elvi Pineda from the Philippine Office of Civil Relations and Information Service. [End recording] [Text] [Manila Radio Veritas in Tagalog 1000 GMT 28 May 85 HK]

LOWER RICE IMPORTS PREDICTED--The Ministry of Agriculture and Food announced that this year's rice imports will be less than that of last year's. According to Agriculture Minister Salvador Escudero 3d, this is due to a good harvest this year. Past imports of rice were resorted to by the government so as to keep the supply and price of rice stable, especially during the months from July to September. The actual import level to be recommended is still under study by an interagency committee. The results of the study will be submitted to President Marcos next month. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 28 May 85 HK]

CSO: 4211/55

SINGAPORE

PAPER VIEWS NEW ZEALAND TRADE PREFERENCE MOVE

BK301039 Singapore THE STRAITS TIMES in English 30 May 85 p 18

[Editorial: "Unnecessary and Untimely"]

[Text] The decision by New Zealand to remove Singapore from its Generalised System of Preferences [GSP] is high-handed, ham-handed and, in view of the current economic down-turn, untimely. Although it is within its sovereign right to take such a step, New Zealand could at least have given adequate notice. The lack of prior consultation indicates an insensitivity to the needs and interests of a long-standing trading partner which is also a friendly fellow Commonwealth member. A 4-month delay was granted after protests, but the postponement does not amount to an opportunity for Singapore to try to change minds that seem to be as closed as they are negative.

Wellington's approach is damagingly inept, because it gives no regard to the adverse impact on Singapore's GSP status with other countries. The losses we face if the United States, Japan, the EEC and other industrialised states use this as a precedent to take us off their GSP list amount to many times the \$21.3 million in exports a year that will be affected by the 1 July move. A more responsible and responsive way of dealing with the matter would easily have enabled New Zealand to achieve its objective of restricting trade preferences without exposing Singapore to losses elsewhere. A compromise could have been--and can still be--worked out on the basis of a Singapore Trade Development Board proposal of removing product by product instead of graduating country by country from the GSP.

Wellington's criterion in penalising states that have exceeded 70 percent of New Zealand's per capita gross national product is at once arbitrary and discriminatory. There is no telling whether other GSP countries would adopt a similarly unilateral cutoff point towards us. It is also unfair, in that we exceeded the limit more because of the sharp decline of the New Zealand dollar in recent months than because of any remarkable growth in our economy. This is a point conceded by Prime Minister David Lange during his visit here last March. Singapore, on the other hand, is a highly urbanised state with a large proportion of its gross national product attributable to foreign economic ownership and activity. To be accurate, as Finance Minister Richard Hu pointed out, such figures have to be duly deflated.

It is unfortunate but perhaps unavoidable that New Zealand's lack of sensitivity and responsiveness has forced Singapore to form a common front with similarly-affected Brunei and the other ASEAN members and has led to an ASEAN hint that official representations would be followed by "more drastic" retaliatory action. Tit-for-tat measures are likely to harm rather than help the interests of both sides. There is still an opportunity, in the month remaining before the decision comes into effect, for Wellington and ASEAN to compromise and to avoid steps that are both unnecessary and mutually unprofitable.

CSO: 4200/992



THAILAND

BUDGET CHIEF ON U.S. F-16A-100 PAYMENT PLAN

BK280239 Bangkok BANGKOK POST in English 28 May 85 p 3

[Text] Thailand will be in a better position to afford F-16A-100 jet fighters if the United States agrees to long-term installment payment, National Budget Bureau Director Bodi Chunnanon said yesterday.

His comment came in response to a recent statement by former American Ambassador to Thailand John Gunther Dean that the F16 deal will cover a 30-year payment plan with highly attractive interest rates.

Only under this payment arrangement will the purchase of the sophisticated airplanes not pose too great a financial burden on Thailand, Mr Bodi said.

The National Budget Bureau chief said that he had yet to be officially informed of the U.S. offer.

He said that his agency was concerned that the purchase of the F16 jets might affect other development projects of the Air Force.

The National Budget Bureau has been looking into the budgetary problems over the Air Force's plan to purchase 12 F-16 jet fighters from the United States.

The agency is at present awaiting information from the Air Force about the purchase terms before forwarding its findings to the Cabinet.

"Our duty is to provide clear and correct information to the Cabinet to decide whether the purchase of the jets will pose a financial burden on the Air Force.

"The Cabinet will decide if the Air Force will be able to absorb this burden," Mr Bodi emphasised.

Air Force Commander-in-Chief ACM Praphan Dhupatemeeya has said that the U.S. sales offer to Thailand was very reasonable.

CSO: 4200/991

THAILAND

DAILY URGES CAUTION ON PROXIMITY TALKS

BK270407 Bangkok THE NATION REVIEW in English 27 May 85 p 4

[Editorial: "Proximity Talks: Pros and Cons Must be Studied"]

[Text] Senior ASEAN officials are expected to hold a meeting in Bangkok this week. Whether by coincidence or not, representatives of the Coalition Government of Democratic Kampuchea (CGDK) may also confer with the ASEAN senior officials. The Malaysian concept of "proximity talks" is expected to be raised and by all indications, most parties concerned are still in the process of assessing the ramifications of the proposal.

Kuala Lumpur has come up with the idea to demonstrate her flexibility on the issue of ASEAN vis-a-vis Vietnam. No doubt, nobody could question Malaysia's good intentions on this score. The rationale that this formal will help overcome the difficulties involving recognition of certain parties is also understandable.

But ASEAN and CGDK would have to study the proposal carefully and in much more detail to determine the impact, both positive and negative, before arriving at a definite stand. Admittedly, this is a delicate question. But it must be stated from the outset that the proximity talks is but a means and not the end towards a political solution. Naturally it has been pointed out that developments from now until the UN General Assembly will have to be taken into account.

On the one hand, the proposed proximity talks may fit well with the idea of a national reconciliation proposed by Prince Norodom Sihanouk, later endorsed by ASEAN. But it must be also stated that the "substance and context" of such proximity talks must be clearly defined before the concept is further pursued.

The timing is another question. Shouldn't the talks be held after the withdrawal of Vietnamese troops otherwise it would be tantamount of putting the cart before the horse? There is also the question of probing other options, one of which is to have the rival Khmer factions meet to discuss solutions to the Kampuchean issue in general terms so that they could set the timetable for the pullout of Vietnamese troops. Of course, there are negative elements to that alternative as well. Vietnam may start talking about getting rid of the Khmer Rouge--and that since the two factions are talking, the UN should not intervene. That would contradict ASEAN's stand.

Another important timing factor comes into play, with the upcoming Nonaligned Movement meeting set for September and the UN General Assembly only months ahead. We are not all set against the proposed proximity talks. There are merits to the idea but all the pros and cons must be taken into account before rigid stands block some possible avenue for a breakthrough.

CSO: 4200/991

THAILAND

BRIEFS

**SOUTH FACES 'DARK INFLUENCES'**--Dark influence is still a problem in the South, Fourth Army Region Commander Lt Gen Wanchai Chitchamong said this morning. He said problems concerning communist insurgency had sharply declined but, "we [are] now facing dark influences." Lieutenant General Wanchi said that crime committed by influential people had threatened security in the region. Asked to comment about communist activities in the South, the commander said that the situation was still serious in Surat Thani and Nakhon Si Thammarat. Lieutenant General Wanchai, however, expressed confidence that soon after the closure of some forests in the two provinces, the atmosphere should be better. [Text] [Bangkok BANGKOK WORLD in English 24 May 85 p 3 BK]

**TRADE WITH AUSTRALIA**--Thailand and Australia have agreed to set a bilateral trade target between the two countries at A\$500 million annually over the next 3 years, visiting Australian Trade Minister John Dawkins said yesterday. Dawkins, who was on a 1-week visit to Indonesia, Singapore and Thailand, said during his discussion with Commerce Minister Koson Drairoek, it was agreed that the current two-way trade of A\$300 million needs further impetus. Although a target of half a billion dollars would be difficult to achieve, the goal can be reached if the private sector of both countries accept the opportunities and challenges that both respective markets represent, he indicated. [Excerpt] [Bangkok THE NATION REVIEW in English 26 May 85 p 2 BK]

**DEMARCATIION BORDER '93 PERCENT COMPLETE'**--Demarcation of the Thai-Malaysian border is 93 percent complete and should be finished by September. According to a senior military officer, the demarcation task has covered the total of 505.7 km so far. Demarcation began on 6 July 1973. Its delay has been caused by the fact that the area under the operation was covered by booby traps planted by communist elements and bandits. The officer said that about 530 booby traps have so far been found since the demarcation operation started. Thailand and Malaysia share the cost of the work. On the Thai side, the total of 98.5 million baht has been spent so far. Once the mission is completed, the officer said, the new demarcation line will be very secure and the border line will be clear cut. [Text] [Bangkok Domestic Service in English 0000 GNT 27 May 85 BK]

**F-16 PURCHASE**--The Royal Thai Air Force will buy a total of 12 F-16 jet fighters from the United States at a cost of \$318 million. Air Force Commander in Chief Air Chief Marshal Praphan Thupatemi says the Air Force will soon ask the cabinet to approve the budget for the purchase of these sophisticated aircraft. He says Thailand will be able to buy the jet fighters at the current price if the contract

is signed within next month. [As heard] The Letter of Offer and Acceptance signed by the united defense security assistant early this month will expire at the end of the next month. Air Chief Marshal Praphan says that after the cabinet has authorized the Air Force to sign the contract, a delegation of technicians comprising communications, aviation, and ordnance experts will fly to the United States to discuss the conditions of the contract in detail. Air Chief Marshal Praphan says he expects the delivery of the first F-16 jet fighter 36 months after the signing of the contract. [Text] [Bangkok Domestic Service in English 0000 GMT 28 May 85 BK]

UN SECURITY COUNCIL SUMMIT PROPOSED—In its first move as a non-permanent member, Thailand has proposed that a UN Security Council summit be held to boost the importance of the international body. Foreign Minister Sitthi Sawetsila made the announcement yesterday shortly after returning from a trip to Italy, Hungary and the United States. He said that although the council was responsible for solving world security problems it was being overlooked by some countries. ACM [Air Chief Marshal] Sitthi said that Thailand had proposed that a summit be held in which heads of government of each member of the council attend. But no decision consensus has yet been reached as the Soviet Union and India have yet to respond to the proposal, he said. ACM Sitthi said he believed the proposal was a good one as respective heads of governments could each make a statement and, thus, avoid arguments. If the idea of the heads of government attending was opposed, then each member could be represented by their foreign ministers, ACM Sitthi said. [Text] [Bangkok BANGKOK POST in English 29 May 85 p 3 BK]

CSO: 4200/991



COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

KHIEU SAMPHAN THANKS TOGOLESE FOREIGN MINISTER

BK240744 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
23 May 85

[19 May message from DK Vice President Khieu Samphan, in Beijing, to Togolese Foreign Minister Koffi Amega]

[Text] Dear minister: The CGDK Government is very happy to have received the news that the Government of the Republic of Togo has decided to be a sponsor of the draft resolution on the Cambodian issue to be submitted to the forthcoming UN General Assembly. As you have pointed out, your government will thus continue to provide its precious contribution to peacefully resolving the Cambodian issue based on the successive resolutions of the United Nations of the past 6 years. Furthermore, we are also very glad to hear that your government is examining the question of establishing an embassy of the Republic of Togo accredited to Democratic Kampuchea.

On behalf of my government, I would like to take this solemn occasion to once again affirm our appreciation and profound gratitude to President Eyadema and the Togolese Government for this new gesture which is a great offer of assistance, support, and encouragement for the just struggle of our people to win back national independence and peace. We are convinced that the decision by Togo will certainly strengthen the stand of friendly countries the world over and of those which support our just cause at the United Nations. Furthermore, it will isolate the Vietnamese aggressors even more.

Once again, I would like to express my sincere greetings to you. With my highest considerations.

[Dated] Beijing, 19 May 1985

[Signed] Khieu Samphan, vice president of Democratic Kampuchea in charge of foreign affairs.

CSO: 4212/78

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK CITES DK DELEGATE ON 'VIETNAMIZATION'

BK260246 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
25 May 85

[Text] At the 22 May meeting of the second committee of the UN Economic and Social Council, Thiounn Prasith, Democratic Kampuchean representative to the United Nations, condemned Vietnam for attempting to turn Cambodia into part of the so-called greater Vietnam and to prevent the Cambodian people from enjoying their right to self-determination.

He said: During the last dry season, Vietnam reinforced its occupation troops with 60,000 men and a great quantity of heavy artillery and guns. The Vietnamese aggressor forces have destroyed houses and villages of hundreds of people and have forced them to work in mountain and forest areas. Thousands of Cambodian people were imprisoned and tortured. Anybody suspected of supporting the Cambodian resistance forces was detained, arrested, and punished without due legal process or a legitimate trial. After more than 6 years of a bitter struggle for freedom the Cambodian people have rallied behind the Democratic Kampuchean leadership and created enormous difficulties for the Vietnamese authorities in Phnom Penh and Hanoi, which attempt to carry out the Vietnamization of Cambodia. The Vietnamese expansionists, like all other expansionists, will end in defeat.

He also called upon all states in the council to give their support to the recently introduced draft resolution on the Cambodian people's right to self-determination.

CSO: 4212/78

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK, VODK BATTLE REPORTS FOR 17-23 MAY

BK240737 [Editorial Report] (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian and (Clandestine) Voice of Democratic Kampuchea in Cambodian broadcast the following battle reports during the reporting period 17-23 May:

VONADK at 2315 GMT on 17 May reports that between 30 April and 13 May, DK forces on Pailin, Siem Reap, Kompong Thom, South Sisophon, Chhep, Kampot, and east Battambang battlefields killed or wounded 163 Vietnamese enemy soldiers; destroyed 9 weapons, 3 trenches, 5 barracks, 4 trucks, a C46 field radio, and some war materiel; and seized some war materiel, weapons, and ammunition.

At 2315 GMT on 18 May, VONADK says that between 10 and 15 May, DK forces on Moun-g-Pursat, Leach, Tonle Sap, Chhep, and Kompong Thom battlefields killed or wounded 60 Vietnamese enemy soldiers; destroyed 649 meters of railroad tracks and some weapons, ammunition, and materiel; and seized some weapons and materiel.

VONADK at 2315 GMT on 19 May reports that between 3 and 16 May, DK forces on Pailin, Siem Ta, Kompong Speu, Leach, and Pursat battlefields killed 81 Vietnamese soldiers, including a battalion commander, and wounded 102 others; destroyed 11 weapons, an ammunition depot, 5 large motorboats, 15 boats, 2 commune offices, and some war materiel; seized 6 weapons, a motorboat, 10 boats, and some documents and war materiel; and freed 3 villages on Moun-g-Pursat battlefield.

At 2315 GMT on 20 May, VONADK says that between 5 and 18 May, DK forces on South Sisophon, Koh Kong Leu, Samlot, Route 4, West Battambang, and Kampot battlefields killed or wounded 114 Vietnamese soldiers; destroyed 13 weapons, a district office, a commune office, 3 barracks, 5 trucks, 6 motorcycles, a rice and paddy warehouse, and some war materiel; seized some weapons, ammunition, and war materiel; and liberated 8 villages on Battambang battlefield.

According to VONADK at 2315 GMT on 21 May, between 6 and 18 May, DK forces on Pailin, Siem Reap, Stung Treng, Kampot, Kompong Thom, Chhep, East Battambang, and South Sisophon battlefields killed or wounded 81 Vietnamese soldiers; destroyed 4 weapons, a truck, a motor vessel, 4 bridges, and some war materiel; seized 10 weapons and some materiel; and liberated 4 villages on Battambang-Sangke River battlefield.

At 2330 GMT on 21 May, VODK reports that between 10 and 17 May, DK forces on Battambang, South and North Sisophon, and Kompong Cham battlefields killed or wounded 59 Vietnamese soldiers; destroyed 3 trucks and some war materiel; and seized some weapons, ammunition, and war materiel.

At 2315 GMT on 22 May, VONADK reports that between 10 and 17 May, DK forces on South Sisophon, North Sisophon, Battambang, and Kompong Cham battlefields killed or wounded 59 Vietnamese soldiers; destroyed 6 weapons, 2 trucks, 5 sections of road, and some materiel; and seized 7 weapons, ammunition, and materiel.

According to VONADK at 2315 GMT on 23 May, between 15 and 20 May, DK forces on Samlot, North Sisophon, and Leach battlefields killed or wounded 105 enemy soldiers; destroyed 27 weapons, 7 trucks, 6 barracks, 8 trenches, and some war materiel; and seized some weapons, ammunition, and war materiel.

CSO: 4212/78

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

BRIEFS

**MOUNG-PURSAT COMMUNE OFFICE 'FREED'**--Our forces attacked Monglil commune office in MOUNG District on MOUNG-PURSAT battlefield on 14 May. In 10 minutes of fighting, we totally freed and took control of this commune office; killed two Vietnamese soldiers; wounded two others; destroyed a barracks, four trenches, and some war materiel; and seized some documents and war materiel. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 24 May 85 BK]

**4 BATTAMBANG VILLAGES 'LIBERATED'**--Our forces launched sweeping operations against and swept Vietnamese soldiers from areas between Banon and Kon Khla on Battambang battlefield on 18 May. We killed or wounded some Vietnamese soldiers and liberated four villages: Phum Bos Bang, Svay Prakiep, Kon Khla, and (Skor Pout). [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 24 May 85 BK]

**KOMPONG CHHNANG COMMUNE OFFICES FREED**--Our forces attacked the Krang Skea commune office in Rolea P'ier District on Kompong Chhnang battlefield on 16 May. After 10 minutes of fighting, we totally liberated this commune office; killed or wounded five Vietnamese soldiers; destroyed two commune office buildings, five trenches, four barracks, a warehouse containing four metric tons of paddy, and some war materiel; and seized two AR-15's and some ammunition and war materiel. On 17 May, our forces attacked Anhchanh Rung commune office in Baribo District on the same battlefield. After fighting for 30 minutes, we totally liberated and took control of this commune office. We killed or wounded five Vietnamese soldiers; destroyed four commune office buildings, two barracks, five trenches, and some war materiel; and seized an M-72 and some war materiel. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 24 May 85 BK]

**SOVIET OFFICER'S VISIT**--Mechayev, a major general of the Soviet Navy, recently visited Phnom Penh. This visit is aimed at helping the Vietnamese redress their state of defeat due to the fact that our Democratic Kampuchean National Army and guerrillas have launched more vigorous attacks against them in areas deep inside Cambodia, particularly in the five provinces around the Tonle Sap Lake and in the five districts adjacent to Phnom Penh. Mechayev's visit to Phnom Penh also proves that the Vietnamese-Soviet aggressors have not abandoned their strategies of aggression, expansion, and territorial annexation against Southeast Asia. This clearly indicates that the Soviet boss and its Vietnamese valet will never abandon each other. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 24 May 85 BK]



WESTERN BATTAMBANG VILLAGES 'LIBERATED'--On the night of 20 May, our forces attacked Snoeng commune office on West Battambang battlefield. We came in two prongs--the first attacked the commune office and the second the ricemill. In 20 minutes of fighting, we totally liberated this commune office, killed or wounded some Vietnamese soldiers, seized a map and some documents, and liberated four villages: Phum Reang, Kro, Snoeng Khang Kaeut, and Snoeng Khang Lech. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 24 May 85 BK]

DK-EGYPT JOINT COMMUNIQUE--On 22 May, before the end of CGDK Prime Minister Son Sann's official visit to Egypt, Egypt and Democratic Kampuchea issued a joint statement in Cairo. This joint communique condemns the occupation of Cambodia by foreign troops and called on all foreign troops, namely the Hanoi forces, to pull out of Cambodia immediately. The joint communique calls for implementation of the UN resolutions on Cambodia to allow the Cambodian people to freely decide their own destiny. Egypt recalled that the CGDK is the sole legitimate government of Cambodia and is occupying all seats of Cambodia in the United Nations and the Nonaligned Movement. [Text] [(Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 24 May 85 BK]

SRV SOLDIERS KILL LABORERS--On 16 May, Vietnamese soldiers rounded up 30 of our people to build a warehouse in Toek Sap on South Sisophon battlefield. After building the warehouse, the Vietnamese soldiers called a meeting and shot the workers, killing 29 of them on the spot. Only one person escaped to join our guerrillas operating in the area. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 26 May 85 BK]

BATTAMBANG VILLAGES 'LIBERATED'--On the night of 23 May, our forces launched a sweeping attack on Vietnamese soldiers along Route 10 from Kouk Ponley Village to Kambo. We killed or wounded some Vietnamese soldiers and liberated three villages--Phum Kouk Ponley, Chang Sda, and Boeng Champei. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 27 May 85]

5 BATTAMBANG VILLAGES 'LIBERATED'--We attacked Prek Norin Commune located on the bank of Sangke River on East Battambang battlefield on 21 May. We killed a Vietnamese soldier and wounded two others. We liberated five villages, namely, Phum Svay Chrum, Kong, Sdei, Rohal Suong, and Don Ma. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 27 May 85 BK]

CSO: 4212/78

PEOPLE'S REPUBLIC OF KAMPUCHEA

SUCCESS OF OPERATIONS AGAINST 'BANDITS' REPORTED

BK240817 Phnom Penh Domestic Service in Cambodian 1200 GMT 23 May 85

[From "Weekly Roundup of Salient Events" feature]

[Excerpts] According to a tally, 48 operations were launched throughout the country last week, resulting in the elimination of 279 bandits, including 80 killed, 83 captured, and 42 wounded [figures as heard]. We seized 111 assorted weapons and 65 mines. Moreover, we persuaded 77 enemy soldiers to return to the revolutionary society, bringing with them 11 weapons. Among a number of outstanding battle scenes are the following:

From 4 to 10 May, units of the Battambang Provincial Armed Forces in cooperation with the Vietnamese Volunteer Army launched 18 sweeping operations against the bandits throughout the province, killing 14 on the spot and wounding 35 others and seizing 11 weapons, including 9 AK's, 1 AR-15, and 1 RPD. On 7 and 12 May, a contingent of the regional forces attached to Phnum Srok in cooperation with a unit of the Vietnamese Volunteer Army launched an attack on a hide-out of the bandits located some 10 km southwest of the Chong Kal area and conducted a search-and-destroy operation against remnants in the region, killing 11 bandits and capturing 2 others and seizing 7 AK's. We also destroyed a food depot of the bandits. In Kralanh District, on 9 May a group of "para" [Sereika] soldiers coming across the border fell into an ambush by our armed forces and Vietnamese Army volunteers. They were kicked back to the Thai threshold, leaving behind 13 bodies and several weapons, including 1 60-mm mortar.

On 7 and 9 May, a meeting was held at Khtoem Village in the region under the authority of the 286th Division to welcome nine misled persons who had deserted enemy ranks and surrendered five weapons to our authorities. In particular, 24 recalcitrant bandits hiding in the woods close to the villages in Preah Vihear and Kompong Chhnang Provinces were exposed and flushed out by the local population in cooperation with our armed forces.

CSO: 4212/77

PEOPLE'S REPUBLIC OF KAMPUCHEA

RADIO FEATURE ON RICE PRODUCTION IN CAMBODIA

BK271113 Hanoi Domestic Service in Vietnamese 0015 GMT 27 May 85

[Feature "In Fraternal and Friendly Countries"]

[Text] Cambodia's cultivated area has increased from 800,000 hectares of rice and subsidiary food crops in 1979 to nearly 2 million hectares at present. The country's total rice output in 1984 topped 2 million metric tons. In spite of repeated natural calamities in recent years, the Cambodian people have, through their own efforts and with the will to achieve self-sufficiency, as well as with the support and assistance from fraternal socialist countries--particularly Vietnam and the Soviet Union--recorded great achievements in converting virgin land into arable land and putting them under grain crops. Various intensive cultivation, multicropping, crop tending, and seed culturing methods have been successfully applied by the Cambodian people.

In the early days after liberation in Battambang, Cambodia's largest rice producing province, the soil was parched, and virtually no irrigation ditches remained intact. However, less than a year later, Battambang succeeded in restoring more than 30 water conservancy projects, including the Kamping Puoy reservoir which is more than 3 km long, and the Khai Dan reservoir which is located close to the Thai border. These water reservoirs help Battambang ensure irrigation and drainage for hundreds of thousands of hectares; and thanks to them, from only 60,000 hectares in the first rice crop season, the province's rice area has not increased fivefold. Battambang's annual rice output totals 30,000 [figure as heard] metric tons, and the province's average grain output per capita reaches 450 kg. Last year, the province sold more than 170,000 metric tons of surplus rice to the state. Along with rice, the province also plants tens of thousands of hectares of sweet potatoes, manioc, beans, jute, hemp, and so forth.

Cambodia's second largest rice bowl is Prey Veng. Thanks to excellent production organization, Prey Veng has been able to successfully make use of favorable natural conditions; and with the assistance and guidance given by agricultural specialists from Dong Thap Province of Vietnam, the province has rapidly restored and developed agricultural production. Dong Thap Province has sent hundreds of metric tons of high-yield rice seed of the IR-36 and IR-42 varieties together with lots of agricultural implements as aid to various establishments in Prey Veng. Thanks to this, Prey Veng has successively recorded bumper

crops in 6 main crop production seasons. The province's rice yield has increased from 1 to 2 metric tons per hectare; and some localities in particular have reported a rice yield of nearly 3 metric tons per hectare. Last year, the province sold to the state hundreds of thousands of metric tons of rice.

Together with the entire country, the people of the Phnom Penh capital have enthusiastically engaged in production and recorded good initial results. In the 1984 10th month crop season, 13 suburban villages of Phnom Penh planted more than 40,000 hectares of rice. In particular, peasants in Chba Ampeou and Pnecou Villages, using the new IR-36 rice variety for the main rice planting and employing new technical methods of intensive cultivation, recorded nearly 6 metric tons in per-hectare rice yield, breaking all past records in Cambodia.

At present, Cambodia's agricultural production is picking up momentum for development. In 1984, a total of 16 provinces in Cambodia sold surplus rice to the state in excess of the plan norms. Along with political stability, agricultural development has contributed to markedly improving the livelihood of the Cambodian people.

CSO: 4209/422

PEOPLE'S REPUBLIC OF KAMPUCHEA

REPORT ON AGRICULTURAL DEVELOPMENTS 20-26 MAY

BK270923 [Editorial Report] Cambodian media monitored by Bangkok Bureau carried the following reports on agricultural developments during the reporting period 20-26 May:

National level: Phnom Penh SPK in English at 1101 GMT on 26 May reports that Kampuchean fishermen have caught 1,700 metric tons of sea products, including over 1,000 tons of fish, 200 tons of crabs, and 200 tons of shrimps. The report adds that in April 315 tons of fish and over 100 tons of crabs were caught part of which was processed into 46 tons of dried fish and 127,000 litres of fish sauce.

Pursat Province: Phnom Penh Domestic Service in Cambodian at 0430 GMT on 20 May says that early this rainy season, peasants in Bakan District tilled 1,907 hectares of land, broadcast 490 hectares of rice, and sowed another 47 hectares. According to a report broadcast over the radio at 1300 GMT on 26 May, last year 12,809 hectares of crops were planted, 46,519 metric tons of rice harvested, and 2,980 hectares of intensive rice more than the previous year were planted. The report adds that in 1985, 40 tractors tilled more than 3,000 hectares of land. There are 17,772 pairs of draft animals, 7,600 metric tons of seeds are ready for distribution, and 600 hectares of IR-36 rice strain and 15,000 hectares of intensive rice will be planted this season.

Prey Veng Province: According to the radio at 0430 GMT on 22 May, by early May peasants in the province had broadcast over 1,000 hectares of floating rice, sowed more than 850 hectares of rice, and transplanted another 125 hectares. Tractors from the agriculture ministry also helped till 8,600 hectares of land. The report adds that this year the province plans to grow 230,000 hectares of rainy season rice, including 33,000 hectares of early rice and 14,000 hectares of ordinary rice. More than 1,800 hectares of industrial and subsidiary crops will also be planted. In a report transmitted at 0405 GMT on 23 May, SPK in French says that by the beginning of May, peasants in the province had harvested 15,400 of the 23,100 hectares of rice planted, with an average yield of 1.5 metric tons per hectare. SPK in English at 1115 GMT on 24 May says that by Mid-May 500 tonnes of surplus rice were sold to the state and adds that last year, solidarity production groups in the province sold 1,500 tonnes of paddy to the state despite the poor yield caused by flood and drought. According to the radio at 1300 GMT on 25 May, Mesang District plans to grow 2,600 hectares of rainy season rice this year. SPK in English



at 1103 GMT on 26 May reports that by the beginning of May, peasants in Kompong Trabek District had tilled 3,250 hectares of land for the monsoon rice cropping. They also sowed 200 hectares of floating rice, raised more than 100 hectares of rice sprouts, and put 200 hectares under subsidiary food crops. This season the district plans to put 35,500 hectares under rice including 17,800 hectares of short-term rice. SPK in French at 1217 GMT on 23 May reports that by early May, peasants in Kamchay Mea District had tilled 500 hectares of land and sowed 150 of the 22,500 hectares of rice planned for this rainy season.

Kampot Province: At 0430 GMT on 24 May, the radio broadcast a report saying that by the end of April, peasants in Banteay Meas District had sowed 38 hectares of dry season rice and transplanted 450 hectares of rice, including 25 hectares of IR-36 rice strain. According to the same report, 100 hectares of dry season rice have already been harvested and more than 2,300 metric tons of paddy sold to the state.

Battambang Province: The radio at 1300 GMT on 25 May reports that in Ratanmondol District, peasants plowed nearly 1,000 hectares of land by May and planted more than 300 hectares of subsidiary crops.

Kompong Cham Province: According to SPK in English at 1105 GMT on 24 May, by the end of April tractor teams from the Agriculture Ministry had helped peasants in Ponhea Krek District plow 1,080 hectares of land for this monsoon rice cropping. Moreover, the peasants planted 480 hectares of rice by direct sowing or dibbling. They also covered 452 hectares with beans, 270 hectares with sesame, 105 hectares with maize, and 11 hectares with sugarcane. The radio at 0430 GMT on 25 May reports that by early May, peasants in Kompong Siem District sowed 55 hectares of all types of rainy season rice and tilled 58 hectares of land; they also planted more than 300 hectares of white and red corn, over 200 hectares of sesame, and hundreds of hectares of vegetables. The report adds that this year the district plans to grow 5,600 hectares of rainy season rice.

Kandal Province: According to SPK in French at 0405 GMT on 23 May, by early May peasants in Phnum Penh District started planting rainy season rice on 11,000 hectares planned for this year. According to another report by SPK in English at 1105 GMT on 24 May, by the beginning of April peasants in Khsach Kandal District harvested 900 hectares of dry season rice with an average output of nearly 3 metric tons per hectare. Moreover, they are also gathering 1,000 hectares of industrial and subsidiary food crops. In the recent dry season, the peasants topped the plan of 3,600 hectares of which 750 hectares were cultivated with intensive farming methods. SPK in French at 1115 GMT on 24 May reports that by mid-April, peasants in Kaoh Thom District harvested more than 4,000 hectares of rice, or almost 60 percent of the total area cultivated during the dry season, with an average yield of more than 3.5 metric tons per hectare. According to a report in English carried by SPK at 1103 GMT on 26 May, last dry season peasants in Leuk Dek District covered 2,000 hectares with rice, including 120 hectares of the high yielding IR-36 variety with an output of 3 tonnes per hectare. Besides, they harvested hundreds of hectares of subsidiary crops.

**Takeo Province:** SPK in English at 1105 GMT on 24 May says that solidarity production groups in Treang District had, by the end of April, sold the state 210 tonnes of surplus rice and 120 tonnes of beans, and adds that this year they plan to sell 800 tonnes of rice to the state. According to a report in English carried by SPK at 1103 GMT on 26 May, by the end of April peasants in Prey Kabbas and Kaoh Andet Districts ploughed 10,400 hectares of the 15,000 hectares planned for this monsoon rice cropping. The province now keeps 170,765 head of cattle, up by 5,000 over last year, adds the report.

**Kompong Thom Province:** SPK in English at 1111 GMT on 25 May reports that by early this year, peasants in the province sold 2,440 tonnes of surplus rice, 20 tonnes of pine resin, and 16 tonnes of soyabean and sesame to the state. In another report, SPK in French at 0421 GMT on 26 May says that since the beginning of this raining season, peasants in the province have intensified their activities for growing rice on the planned 628,000 hectares. By mid-May, they covered more than 8,360 hectares with rice, including more than 6,900 hectares of floating rice. The provincial agricultural service has provided the local population with 1,920 metric tons of seeds, 400 metric tons of chemical fertilizers, and 500 metric tons of fuel.

**Kratie Province:** At 1143 GMT on 25 May, SPK in French reports that so far peasants in the province have sold more than 2,240 metric tons of tobacco to the state.

**Kompong Speu Province:** According to SPK in French at 0421 GMT on 26 May, by mid-May, peasants in Oudong District tilled 1,000 hectares of land and sowed 200 hectares of rice. They plan to grow rice on 11,500 hectares this season. The provincial agricultural service recently distributed 300 metric tons of chemical fertilizers, 100 liters of insecticides, and some farming tools. SPK in English at 1103 GMT on 26 May adds that last year the district managed to cover an area of 8,236 hectares with monsoon rice despite severe drought.

CSO: 4212/77

21 JUNE 1985

## PEOPLE'S REPUBLIC OF KAMPUCHEA

## BRIEFS

HO CHI MINH MUSEUM--Phnom Penh SPR 24 May--Men Sam-an, member of the Central Committee of the People's Revolutionary [as received] of Kampuchea, received here this morning a delegation of the Ho Chi Minh Museum led by its deputy-director, Du Van Chuoc. Men Sam-an, also president of the Commission of Propaganda and Education of the PRPK Central Committee, welcomed her guests and thanked them for contributing to familiarizing Kampuchean people with the good virtues of President Ho Chi Minh, who had constantly cultivated the alliance of special militant solidarity among the Indochinese peoples. [Excerpt] [Phnom Penh SPK in English 1111 GMT 24 May 85 BK]

HUNGARIAN NEWSPAPER VISITOR--Phnom Penh SPK 22 May--Sam-an, president of the Commission for Propaganda and Education of the People's Revolutionary Party of Kampuchea Central Committee, has received Ferenc Vagner, deputy head of the department of the Hungarian party paper, on a friendship visit to Kampuchea. [Excerpt] [Phnom Penh SPK in English 1217 GMT 22 May 85 BK]

LAO DELEGATION DEPARTS--Phnom Penh SPK 23 May--A delegation of the Lao Ministry of Finance left here Tuesday after an official friendship visit to Kampuchea. The delegation led by Bunlit Khennavong, vice minister of finance, was seen off at Pochentong Airport by his Kampuchean Counterpart, Bun Som. Lao Ambassador Thongpen Souklaseng was also on hand. While in Kampuchea, the delegation was received by Chhay Than, first vice minister of finance, exchanged views with Kampuchean financiers. [Sentence as received] The Lao guests also visited the former royal palace and the Tuol Sleng Museum of Genocide in Phnom Penh and the Angkor Wat Temple in Siem Reap-Oddar Meanchy. [Text] [Phnom Penh SPK in English 1124 GMT 23 May 85 BK]

INDIAN RED CROSS GIFT--On 23 May, at the office of the Kampuchean Red Cross, his excellency Malik, charge d'affaires of the Indian Embassy to the PRK, handed over gifts from the Indian Red Cross to its PRK counterpart consisting of 1,742 kg of medicine. [Excerpt] [Phnom Penh Domestic Service in Cambodian 0430 GMT 24 May 85 BK]

MISLED PERSONS IN KRATIE--During the first quarter of 1985, women in Kratie Province persuaded 38 misled persons to return to the revolution, bringing with them some weapons and ammunition. [Excerpt] [Phnom Penh Domestic Service in Cambodian 2300 GMT 20 May 85 BK]

RETURNEES IN KOMPONG THOM--Over the past 6 years, women in Kompong Thom Province persuaded 1,053 misled persons to return to the revolution, bringing with them 19 AK's and some war materiel. [Excerpt] [Phnom Penh Domestic Service in Cambodian 0430 GMT 23 May 85 BK]

STATISTICS ON RETURNEES--During the week ending 9 May, throughout the country, 28 misled persons presented themselves to state revolutionary authorities, bringing with them 20 weapons. Between 12 and 25 April, 103 misled persons throughout the country returned to the revolution bringing with them an assortment of 36 weapons. During the traditional New Year, more than 60 misled persons throughout the country presented themselves to state authorities. [Excerpt] [Phnom Penh Domestic Service in Cambodian 1300 GMT 22 May 85 BK]

CSO: 4212/77

INTERNATIONAL RELATIONS, TRADE AND AID

ARMY PAPER DENOUNCES U.S.-FOUNDED RADIO MARTI

OW300031 Hanoi Domestic Service in Vietnamese 1000 GMT 29 May 85

[From the Press Review]

[Text] Exposing the U.S. imperialists' recent anti-Cuban activities, today's QUAN DOI NHAN DAN commentary says:

Beginning at 0500 the morning of 25 May, the wavelengths of a new radio broadcasting station began to reach Central America. Also this morning, (James Tooke), representative of U.S. interests in Havana, handed the Cuban Government a note with the information that Washington had decided to start the so-called Radio Jose Marti broadcast beamed to Cuba for Cuban listeners. This station operates 7 days of the week for 14 hours weekly.

The naming of this psychological war radio station after the beloved and esteemed Cuban national hero Jose Marti was an insolent offense to the Cuban people. Using 25 May as the first broadcasting day constituted a brazen provocation, because this is the independence day of the Batista regime and has been used by the Cuban reactionaries in exile as a national festive day.

Although the U.S. imperialists have founded this radio station as a propaganda instrument to oppose Cuba, their move can in no way have any result, because all of Cuba is advancing along the path of socialist construction, the path of a decent, happy life which has been asserted in our times.

The commentary concludes: Radio Free Europe in the Federal Republic of Germany has failed to deceive the European nations over the past decades. Radio Free Asia in Thailand has also failed over the past years to sidetrack the Asian nations in their struggle. Radio Jose Marti, founded in the United States with the purpose of spitting daily poison into Cuba and other Caribbean countries in Central America, will surely have no bright future.

CSO: 4209/423

INTERNATIONAL RELATIONS, TRADE AND AID

HANOI ON LAOS' PROGRESS, BILATERAL COOPERATION

BK301508 Hanoi Domestic Service in Vietnamese 1400 GMT 28 May 85

["Topical Talk" by station editor Vu Dinh Vinh]

[Summary] "Since the founding of the LPDR on 2 December 1975, the Lao revolution has entered a new stage. The LPRP has a historic mandate to guide the entire army and people in building socialism successfully and defending the fatherland firmly in order to bring about a bountiful, modern, and happy life for the Lao people."

With a population of 3.6 million, the LPDR has a total land area of 236,800 square km, of which only 822,000 hectares are now being cultivated. Laos is advancing toward socialism at a time when the national economy is still characterized by natural growth and self-support. Laos' material-technical base is very small. The country has a prevalence of manual labor, but its labor output is very poor. It has only a handful of scientific-technical cadres and skilled workers. On top of these problems, the consequences of war are now still very serious.

Despite the enemy's sabotage activities, the Lao people have scored great successes in national defense and socialist construction. Many bandit groups and clandestine reactionary organizations have been smashed and many enemy attempts to create disturbances and rebellions have been foiled. The system of proletarian dictatorship has been established.

The position and prestige of the LPDR have been constantly enhanced in the world arena. Today, Laos has diplomatic relations with more than 50 countries.

Laos is planning to complete agricultural cooperativization by 1985. Its rice production continues to be developed with the amount of rice produced in 1984 totaling 1.3 million tons, twice as much as that in the first year immediately after liberation. For the first time in history, Laos now has been able not only to achieve self-sufficiency in grain, but also to keep some grain reserves. Hundreds of factories and enterprises have been restored and built.

"The relations between the two nations of Vietnam and Laos, which have experienced numerous ordeals during the long and hard struggle for each country's independence and freedom, are now being strengthened and developed steadily on



the basis of Marxism-Leninism and socialist internationalism." It can be said that cooperation between Vietnam and Laos has produced ever-greater results, with economic, cultural, scientific, and technical cooperation gradually being expanded in both scope and depth. "In the years ahead, Vietnam and Laos will concentrate on helping each other resolve important, pressing problems such as the problem of grain and food. They will help each other carry out intensive cultivation, apply scientific and technical innovations, build and strengthen the communications system, and set up small- and medium-size industrial establishments to serve agricultural and forestry production and the manufacture of consumer and export goods.

"The principle of ensuring mutual benefit and stressing quality and efficiency has been upheld and applied successfully by both sides. In the past, the two countries have cooperated in helping each other conduct surveys for and design and build thousands of kilometers of roads with many paved sections. Laos is building a system of important longitudinal and latitudinal roads throughout the country, linking the road network leading to the Eastern Sea. The cooperation in using Danang Port in Vietnam has made it possible for our friends to conveniently receive aid from fraternal countries as well as from friends around the world." This has helped Laos counter effectively the economic embargo imposed by reactionary forces and meet the requirements of economic and cultural development.

"The two sides have cooperated in helping each other build tens of thousands of square meters of warehouses, hospitals, schools, agricultural and forestry experimental stations, district office buildings, and trade stores. Many sectors and localities in Vietnam are conducting export-import activities for Laos. Every year, the two sides help each other transport hundreds of thousands of metric tons of goods. The two countries are cooperating with each other in the exploitation of gypsum for export, a large part of which is destined for Vietnam. In addition, Laos and Vietnam are also cooperating with each other in all aspects of forestry with the immediate aim of exploiting timber for export.

"At present, all the provinces and cities of Laos have established sisterhood with those of Vietnam; and this has proven to be practically beneficial and of strategic significance in developing the creative ability and comprehensive strength of each locality and gradually effecting all-round integration at the local and grassroots levels."

Obviously, economic and cultural cooperation between Vietnam and Laos has brought about some results that clearly demonstrate the benefit of cooperation and testify to the correctness of the policies and orientations bilaterally agreed upon. We are convinced that with the constant promotion of the special militant solidarity between Vietnam and Laos as evidenced by the most recent visit to the LPDR by a high-level Vietnamese party and state delegation led by Chairman Truong Chinh, bilateral cooperation in the economic and cultural will surely bring about even greater results.

INTERNATIONAL RELATIONS, TRADE AND AID

THAI OFFICIALS, ACADEMICS DEBATE PRK POLICY

BK291034 Hanoi Domestic Service in Vietnamese 2300 GMT 28 May 85

[Text] In early April 1985, some 30 or 40 political scientists and officials of the Thai Foreign Ministry held a frank debate on the government's policy toward Cambodia. The participants in this closed-door debate clearly pointed out the harmful consequences of the Bangkok administration's support for the Khmer reactionaries to oppose the Cambodian people's revival. The cautioned the Thai Government of the Chinese threat to Thai security.

The NATION REVIEW newspaper quoted a Thai Foreign Ministry official as saying that Thailand should not involve itself in the Cambodian issue by supporting the Khmer Rouge because it would make it very difficult for Thailand to accept any solution to the outstanding problems. The refugee problem being shouldered by Thailand would in the long run affect the national security, economic development, and stability of Thailand. The Committee to Coordinate the People's Action for Democracy unanimously agreed that Bangkok should follow a policy of neutrality in the Cambodian issue. It should not follow China nor should it support the ASEAN call for military and political support the the coalition government of Kampuchea because this would lead to adventurism in war and the economy and would bring trouble to the Thai people. Nothing useful would accrue to Thailand while only China would benefit.

To ensure a policy of genuine neutrality, Thailand must definitively stop recognizing and supporting the Khmer Rough and stop serving as a springboard for China.

CSO: 4209/423

INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

HAU GIANG AIDS KOMPONG CHHNANG--Hau Giang Province has assigned agricultural specialists and technicians to the Cambodian sister province of Kompong Chhnang to help build an irrigation system and vegetable protection posts. Hau Giang has provided Kompong Chhnang with a considerable volume of construction materials and equipment for the veterinary service valued at almost 200,000 dong. The province has also helped train many Cambodian agricultural and technical cadres to improve Kompong Chhnang's agriculture and animal husbandry. [Summary] [Hanoi Domestic Service in Vietnamese 1430 GMT 24 May 85 BK]

EMULATION DRIVE WITH SOVIETS--To score achievements in honor of President Ho Chi Minh's 95th birthday, Vietnamese workers and Soviet experts at the worksite of the Vietnam-USSR Friendship Workers' Cultural Center in Hanoi are participating in an emulation drive to ensure that the project can be completed on schedule. In April, they exceeded the construction plan by 50 percent. [Summary] [Hanoi Domestic Service in Vietnamese 1430 GMT 25 May 85 BK]

PHAM VAN DONG'S MEETINGS--Chairman Pham Van Dong happily hugged his international friends like his own relatives. With his familiar cheerful and optimistic laugh, he warmly said: Today, we receive you, friends, without any ceremonial. We are all friends who have been fighting for several decades. We are now celebrating the anniversary of our common great victory. I am deeply moved because I have the chance to meet again many comrades whom I have known as well as to make new acquaintances. We have struggled and still have to continue the struggle because our revolutionary struggle is still going on. Our victory is also yours. This victory has given us a chance to meet and certainly, we will have more occasions, to meet again. [Dispatch from Ho Chi Minh City published in "recent" NHAN DAN on the meeting of Chairman Pham Van Dong with foreign guests and journalists on the occasion of 10th liberation anniversary] [Excerpt] [Hanoi Domestic Service in Vietnamese 1430 GMT 28 May 85 BK]

IRAQ MARKS FRIENDSHIP YEAR--Hanoi VNA 25 May--A get-together was held here today to mark the first anniversaries of the Vietnam-Iraq Friendship Association (VIPA) and the Iraq-Vietnam Friendship Association. Present were Hoang Anh, president of the VIFA; Trinh Ngoc Thai, general secretary of the Vietnam Committee for Solidarity and Friendship with other peoples; representatives of the Foreign Ministry and the International Department of the Communist party of Vietnam Central Committee; and others. Iraqi Charge d'Affairs A. Iryadh-Abdul Nahab Abdul Razak highly valued the activities of the two friendship associations during the past year and expressed the Vietnamese and Iraqi people's wishes to further consolidate the friendship and cooperation between the two countries. On this occasion, the VIFA sent its greetings to its Iraqi counterpart. [Text] [Hanoi VNA in English 1541 GMT 25 May 85 OW]

CSO: 4200/986

PARTY ACTIVITIES AND GOVERNMENT

NHAN DAN CONGRATUALTES HOANG QUOC VIET

OW291915 Hanoi VNA in English 1520 GMT 29 May 85

[Text] Hanoi VNA 28 May--"Congratualtions to Comrade Hoang Quoc Viet," is the title of an article appearing [in] the party paper NHAN DAN today on the occasion of the award of the Gold Star Order by the Vietnamese State Council to Hoang Quoc Viet, honorary president of the Vietnam Fatherland Front, on his 80th birthday.

"Ha Ba Cang is Comrade Hoang Quoc Viet's true name. He belongs to the young generation of the early decades of this century who came under the direct influence of the anti-french resistance movements led by revolutionaries like Phan Boi Chau, Phan Chu Trinh and Nguyen Ai Quoc (Ho Chi Minh)."

"His legs were injured right in the first torture sessions at the french prison in Haiphong in 1930. Later he was deported to the prison on Con Dao Island (Poilo Condor) from which he was released in 1936 on the advent of the 'popular front' government in France. For the next 15 years he travelled widely in the country to organize the working masses under the Indochinese Communist Party's program in preparation for the August Revolution in 1945.

"Comrade Ha Ba Cang took part as a leading cadre in all the three major revolutionary campaigns in French-occupied Vietnam. In the 1930-31 'Nghe Tinh Soviet' movement he was arrested before the insurgence broke out. In the 1936-39 period of the 'democratic movement' he was a key figure in the publication of the party's legal press in Hanoi. In the 1941-45 preinsurrection period, he was secretary of the party committee in North Vietnam and member of the Executive Committee of the party Central Committee with Truong Chinh as general secretary.

"After the success of the August revolution and the anti-French resistance, he started a new fight, this time to build the socialist society on the liberated half of the country.

"As president of the Vietnam Federation of Trade Unions, he spared no effort to contribute to building and safeguarding the internationalist solidarity among the world working people.

"In his state function, Comrade Hoang Quoc Viet was entrusted with organizing the system of people's organs of control and was himself the first president of the supreme people's organ of control. He has made a decisive contribution to defining the role and position of this new organization in the state apparatus from the centre to the localities. Hoang Quoc Viet is among the oldest

party members. His party seniority includes several years prior to the party's official foundation. During 60 years of revolutionary activities, he has always impressed all who have worked with him with a high sense of dedication to public interests, honesty, principledness and generosity. His eldest son is a fighter pilot who has made outstanding achievements."

In his newly published memoirs entitled "the burning path," he wrote: "What an honour to be a Vietnamese in this 20th century, to witness and participate in the earth-shaking events of history, to see the great changes of the country and society in all its complicated developments. I would say that I've nearly emptied this cup of happiness."

CSO: 4209/423



PARTY ACTIVITIES AND GOVERNMENT

PHAM HUNG ATTENDS INTERIOR MINISTRY CONFERENCE

BK300621 Hanoi Domestic Service in Vietnamese 2300 GMT 29 May 85

[Text] On the occasion of President Ho Chi Minh's 95th birthday and the public security forces' 40th founding anniversary, on 29 May, the Ministry of Interior held a conference on practical science under the theme: President Ho Chi Minh and the public security forces.

Attending the conference were Comrade Pham Hung, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of interior; Comrade Ha Huy Giap, director of the Ho Chi Minh Museum; and representatives of the Nguyen Ai Quoc Higher Party School, the party Central Committee Science and Education and Propaganda and Training Departments, the Ho Chi Minh Communist Youth Union Central Committee, the Border Defense Force Command, and the army's Protection Department [cuc] baor veej quaan dqoolj]. Also present were many leading cadres and scientific researchers of various organs of the Ministry of Interior and Public Security Services in all provinces, cities, and special zones and scientists in and outside the sector.

The conference, which was opened by Comrade Pham Hung, heard a number of scientific reports on Uncle Ho and the public security forces.

CSO: 4209/423

## PARTY ACTIVITIES AND GOVERNMENT

### ARMY PAPER ON COMMANDING CADRES' CAPABILITIES

BK291008 Hanoi Domestic Service in Vietnamese 2330 GMT 23 May 85

["Recent" QUAN DOI NHAN DAN editorial: "Foster and Improve the Capability of Commanding Officers at the Detachment Level"]

[Text] A commanding officer at the detachment level is responsible for the quality of his unit in every respect, the fighting ability of both the collective and individuals in his unit, and the progress of all noncommissioned officers and soldiers under his command. At the grass-roots level, platoon and company cadres are directly responsible for the successful implementation of all the tasks entrusted by higher echelons.

It can be said that where there are capable cadres, there are good soldiers; that a unit can make headway as long as the cadres of that unit fully realize their responsibility; and that cadres can ensure unity and strict discipline in their units if they know how to set an example, and can assume command effectively if they have prestige.

In recent years, since plans for the numerical strength of cadres have been devised among officers at the detachment level, the percentage of cadres receiving basic training at schools has increased constantly. These young officers have contributed and are contributing effectively to all the activities of their units. The training of cadres and schools has been carried out in coordination with the fostering of cadres in their units. By developing the results of their training at schools, many cadres at the detachment level have matured rapidly in their assignments.

However, apart from these successes, the task of training and fostering detachment-level cadres is still subject to a number of limits. Some cadres at the detachment level still lack the necessary capability, practical knowledge, management and command experience, and leadership ability, thus seriously affecting the quality of their units. This situation has imposed on the party committee echelons and commanders at higher levels many questions concerning the task of fostering and improving the command capability of officers at the detachment level.

All units should review their tasks each year to formulate plans for fostering their cadres in a most specific manner. They must educate young officers in

in politics, ideology, physical training, and behavior and improve their efficiency in the organization, command, and supervision of troops and the management of material and technical bases.

When formulating training programs, it is necessary to determine the objectives and pace of these programs in a way that suits the tasks, the situation, and the trainees of the units concerned in order to attain practical results. Cadres at division and regimental levels must concentrate on fostering cadres at the battalion and company levels so that these cadres can perform their functions satisfactorily and can engage directly in training platoon and squad leaders.

The training of cadres must be carried out before other tasks so as to ensure that they can improve their military background and knowledge of military pedagogy, and gain training, command, and management experiences. It is necessary to train cadres at the platoon level in carrying out simple tasks of everyday life as well as in dealing with matters related to the dignity of party members and the abilities and qualities of a commander. Cadres at company and platoon levels must, first of all, try to promptly grasp all the experiences that have been reviewed--especially experiences in combat, in the management of troops, and the organization of training work--so that they can put these experiences into practice.

Through training, combat, production, and other activities, it is necessary to foster cadres under various practical forms such as holding seminars, setting up model units, organizing technical and tactical drills, and conducting preliminary and final reviews of military rehearsals. Each of these tasks can help improve the grass-roots cadres' ability to perform their functions.

After the completion of each job or each assignment, cadres at the higher level must directly make remarks and point out concrete facts so that cadres at the lower level will know how to develop the good points and overcome the weaknesses. While preparing for or carrying out training work, cadres at the higher level must also improve their teaching skills and general and practical knowledge, as this is the only way to help meet the requirements of the task of fostering cadres at the lower level.

Upon their graduation, cadres at various levels--especially those at the detachment level--still need the help of collectives and the training to be given by cadres at the higher level. They must also actively engage in self-study. Although these cadres have already undergone long-term or short-term training as general school students or noncommissioned officers before entering various officers schools, it is necessary for all echelons concerned to pay attention to training and fostering them in an intensive manner.

CSO: 4209/423

PARTY ACTIVITIES AND GOVERNMENT

BRIEFS

HANOI PEOPLE'S COUNCIL--From 23 to 25 May, the Ninth Hanoi Municipal People's Council met for the first time since its election in April. The municipal people's councilors studied the law on the organization of the people's councils and issued a resolution stipulating its organizational and operational systems. They also elected the Municipal People's Committee and the chief justice, deputy chief justice, and judges of the Municipal People's Court. [Summary] [Hanoi Domestic Service in Vietnamese 0500 GMT 26 May 85 BK]

CSO: 4209/423

## ECONOMIC PLANNING, TRADE AND FINANCE

### ARTICLE URGES DRAFTING OF SUPPLEMENTARY PLANS FOR 1985

Hanoi TAP CHI KE HOACH HOA in Vietnamese Jan 85 pp 3-6, 22

[ Article: "Actively Developing the Organization of Drafting 1985 Supplementary Plans From the Basic Level up" ]

[Text] The year of 1985 has an extremely important role since it must both satisfy the needs of 1985 in production and daily life and strive to attain four general socioeconomic goals and to reach and surpass the major norms set for the 1981-1985 5-year plan. Therefore, to draft and combine this year's state plan in an active and steady manner is an important requirement for all sectors, localities and production installations. Recently the 7th Plenum of the CPV Central Committee has considered the major guidelines, tasks and goals of the 1985 socioeconomic development plan and at the same time affirmed the following: the norms that have been approved in this phase are the minimal ones and serve as a guide; all sectors and levels must continue to try to exploit various sources of capabilities, draft supplementary plans from the lower levels up, submit them to the Council of Ministers for examination and approval and officially assign them early in the second quarter.

Generally speaking, the draft plans of sectors, localities and production installations have been drawn up with more progressive contents and methods. However, there still were cases in which plans were not actually drafted from the basic level up, with the higher levels having done the work for the lower ones, or if they were drafted by production installations themselves, the latter failed to exploit to the highest degree their three potential sources; a situation still remained in which the lower levels asked the higher ones to reduce their obligation, to supply them with more materials and capital, and so on. Recognizing such weaknesses and thoroughly understanding the resolution of the 7th Plenum of the CPV Central Committee, sectors and localities are actively developing the organization of drafting 1985 supplementary plans from the basic level up, seeking additional sources to maintain balance for their plans and satisfying to a higher degree their needs.

In order to organize good drafting of 1985 supplementary plans from the basic level up, all sectors and localities must adhere to the contents and methods of drafting such plans as the State Planning Commission suggested in its Circular No 01-UB/KHH of 2 January 1985.

In the efforts to maintain balance for and to draft these supplementary plans, a matter that has an especially important significance is to demand that the central administration, sectors, localities and basic units continue to seek additional sources for maintaining balance for the plans, to ensure maintaining plan balance at the most active level. Thus the task of supplementing the plans this year must necessarily be carried out from the lower levels up, from production installations, subwards and villages. The ministries, general departments, provinces and municipalities must concentrate their efforts on leading the key districts, wards and production installations in order to gain general leadership experience. The norms set in the supplementary plans must be included in the balanced aspects of the plans of different sectors and levels and reflected in the combined state plan. The central administration will adopt policies to encourage extra work and achievement beyond the plan norms assigned by the state.

About the contents and methods of drafting supplementary plans in this phase, these are some major points we should pay attention to:

#### I. Contents of Drafting 1985 Supplementary Plans

All sectors and localities must further examine the goals having to do with agriculture, forestry, fishery, production of consumer goods, export-import, capital construction, circulation-distribution, etc. to make them more positive and realistic, on the basis of taking the necessary measures to exploit the practical possibilities in connection with labor, land, the existing material and technical base; applying technical progress to production; and managing and using materials and capital in a more effective manner.

##### 1. About agriculture, forestry and fishery.

Sectors and localities must pay attention to exploiting the potential labor and land that remain unexploited and unused; have appropriate measures to redistribute labor in individual areas and among different areas; and achieve joint enterprise and economic integration among localities, cooperatives and state farms and forests.

- First of all, continue to seek additional measures to exploit the potential land and labor, to set the goals of production and to mobilize grain, including rice and subsidiary food crops, in an active manner to reach a higher level than the one assigned by the state.



Check again the ability to extend the cultivated areas and increase these areas by opening new land, reclaiming fallow land, planting additional crops, shortening the time between crops and raising the areas devoted to high-yielding crops. Take necessary measures to change the crop season pattern and crop allocation on the basis of extending the areas devoted to the winter-spring, summer-autumn and early tenth-month rice crops in order to take initiative and to boldly switch from a number of low-yield crops to the ones that bring about better economic results. Properly combine agriculture, forestry and fishery in conformity with the characteristics of individual locations and by the crop rotation and mixed cultivation formulas, such as rice-subsidiary food crops, industrial crops, rice crop-shrimp, rice crop-fish, and so on. Build high-yielding subsidiary food crop zones, mostly with corn and manioc being used as raw materials for industry and feed for domestic animals, and consider these subsidiary food crops-growing zones as industrial crops-growing ones in supplying materials and adopting price policies.

It is necessary to pay attention to ensuring the steady and active aspect of the efforts to maintain balance in the supply of fertilizers and ensuring supply of insecticide as needed in production. As to the share of fertilizers the central administration has not yet supplied in accordance with the economic and technical norms, the localities must seek additional sources to maintain balance, by say borrowing, exchanging with farm products for export, and so on, and can expect to be repaid by the central administration. Develop additional on-the-spot sources of organic fertilizer. The supplying organizations must take appropriate measures to respond in time to the needs of production installations for agricultural materials, such as fertilizers, insecticide, etc., particularly for the winter-spring season in accordance with the plan norms and economic contracts.

- Check again the ability to increase the areas devoted to industrial crops and clearly determine the ability of one's locality to grow the main-force industrial crops, first of all the short-term ones. Take appropriate measures to immediately exploit and mobilize the crops we are in a position to grow quickly, such as peanut, soybean, sugar cane, tobacco, and so on. Properly organize cooperation, joint enterprise and integration among localities and between economic components (state-operated, collective and family-based components) so as to fully exploit the potential of industrial crops. Have plans for in-depth investment in order to exploit the long-term crops and get more products from them. Calculate the "take the short-term to feed the long-term" plan in order to get more products and to reduce the share of investment in long-term industrial crops.

- About animal husbandry, pay attention to seeking additional on-the-spot sources of feed in order to quickly increase the numbers of domestic animals and fowls in conformity with the conditions and habits of individual areas and

to satisfy the domestic and export needs. As for the main-force animals, all localities must draft positive plans, apply scientific and technical progress, organize specialized-enterprise corporations and combine the state-operated, collective and family-based forces in order to quickly increase both the quantities and qualities of products and to satisfy better the domestic consumption and export needs.

In order to ensure a solid base for drafting plans from the basic level up, all echelons must guide the farmer households toward drafting plans for developing the family-based economy, clearly showing the volumes of farm commodities they will sell to the state as their extra share and requesting the state to supply them in exchange with the materials and goods they need.

- About forestry, along with stepping up afforestation, it is necessary to have plans for tight management of forests -- forests that still can be exploited, rich forests, restored forests and newly-established forests -- in order to take appropriate measures to rationally exploit both timber and firewood, and for prevention of destruction of forests and forest fires. Take appropriate measures to maintain tight management of lumber production and to resolve problems having to do with transportation, distribution and supply of lumber and lumber products for capital construction needs, export, packing and consumption and exchange items with the people.

- About fishery, pay attention to stepping up raising, growing and exploiting marine and sea products. Draft positive plans for organizing effective raising, growing and exploiting per areas of saline, fresh and brackish water, particularly coastal marshes and lagoons. Reorganize the forces that exploit sea products along the line of attaching importance to both the ones specialized in working the local fishing grounds and the mobile force that follows the seasonal fishing grounds; at the same time, pay attention to consolidating and strengthening joint fishing among localities for the purpose of fully using the fishing forces and exploiting in the best manner the fishing grounds, on the basis of having operational plans and positive regulations of the Ministry of Marine Products to promote the most rational and effective use of fishing grounds.

## 2. Export and consumer goods industry and production.

The abilities to mobilize the sources of raw materials, which are farm, forest and sea products, among farmers and cooperatives, as well as the abilities of central and local enterprises to exploit the capacities of equipment and machinery, still are great. Consequently, the abilities of sectors and localities to get more processed goods from farm, forest and sea products and consumer goods also remain great. All sectors and echelons must seek the measures to actively exploit such abilities, to get more sources of goods for exchange with the people, to satisfy domestic consumption needs and to get more goods for export.

There must be plans and discussions of integration between local industrial enterprises and enterprises under central management for the purpose of fully using the capacities of the industrial installations that process farm, forest and sea products; machine repairs and production of building materials, etc. must be stepped up for the purpose of directly serving agricultural production, getting more products for export and improving the standard of living. The central sectors particularly must pay attention to properly exploiting and assisting localities in exploiting and using in a coordinated manner the sources of minerals and special local products; they can organize jointly-operated corporations between the central and local sectors to effectively exploit such sources of raw materials and to create additional quantities of rich and varied products for production, export and everyday life. It is necessary to pay attention to fully using the producing capacity of all enterprises producing any means of production and also the national defense industry to make consumer goods.

- Encourage the application of technical progress, search for raw materials and production of substitute materials particularly to replace imported raw materials in order to fully exploit the capacities of the existing machinery and equipment and to raise the quality of products.

- Suggest measures aimed at strictly implementing the procedures about saving materials and raw materials in production and construction. In January 1985 the State Planning Commission is issuing the state-level norms for use of materials. Ministries and provinces are to materialize them and set the norms for units in sectors and localities. Enterprises must review the norms for use of materials and labor and strive to go back to the materials use norms of the 1975-1976 period. Take positive measures to recover packing materials, paper, junk iron, bottles, glass, and so on. The state will set a fixed percentage for supplying new packing materials and assign enterprises recovery norms for the rest to fulfill by themselves.

- Encourage the establishment of small industrial installations for on-the-spot production of raw materials, such as potash, soda, fine flour, pulp and small-scale energy.

- Have plans and measures to encourage the full use of on-the-spot sources of raw materials; to step up small industrial and handicraft production; to restore and further develop the traditional occupations that have high economic values in order to attract and fully use manpower, particularly in municipalities, cities and towns, as additional sources of goods for domestic consumption and export; and to raise the income of working people and production collectives.

Attach importance to reorganizing production and linking small industry and handicrafts with processing industry right in subwards, wards and districts

in order to quickly increase the production of common consumer goods and export goods. Provinces and districts must put aside some materials, mostly energy, as support for small industrial and handicraft cooperatives and at the same time maintain tight management over fulfilling the norms for delivering products at different levels.

### 3. About capital construction.

The sources of capital that have been made public as part of the central budget are the maximum level; it is necessary to plan in a more concentrated manner in order to ensure the effectiveness of and to reduce the invested capital. In their supplementary plans provinces and municipalities must clearly show the sources of self-provided capital of production installations and localities and a list of their construction projects commensurate with the existing manpower and sources of materials and the ability to look for more by themselves.

Ministries, general departments, provinces, municipalities and districts must correctly define their investment policies, with priority given to the goals having to do with production of grain, consumer goods and export goods. Pay attention to uniform and in-depth investment in the existing production installations and industrial-crop areas in order to effectively serve intensive cultivation and to immediately make products. Stop the construction projects that are not under conditions of showing their usefulness right away, nor ensuring the right requirements for execution or the ability to maintain balance in connection with materials and equipment.

As to the projects that must be built on an urgent basis, such as water conservancy, hydroelectric power and other projects, prepare good economic and technical arguments. On the other hand, step up preparatory work and begin to work on the projects that we are capable of executing first and when the economic and technical arguments are approved, concentrate manpower on executing the main parts in order to obtain good results from the entire projects.

### 4. About export-import.

Export is an important source that provides additional materials, raw materials and capital to supplement the plans. Every sector, locality and production installation must seek every measure to increase its export capacity. In addition to the principal interest in exploiting one's internal capabilities, expand the economic-cooperation relations with the outside by various means ranging from establishing foreign-currency funds, borrowing capital in foreign currency for in-depth investment in expanding production and importing materials for production to expanding business, tourism, services and foreign exchange in order to increase sources of capital.



- First of all, it is necessary to concentrate efforts on creating additional sources of export and strongly developing the local sectors that create items for export like short-term industrial crops, fruit trees, farm, forest and sea products and handicraft and fine art articles. The localities having favorable conditions like a port must develop the strength of a sea-based economy and expand the services that permit on-the-spot collection of foreign currency, such as supplying sea-going boats, repairing boats, organizing tours, sight-seeing, and so on. Particularly, pay attention to reducing domestic consumption in order to put aside goods for export, mostly such items as coffee, tea, coconut, filter-tipped cigarettes, shrimp, and so on.

The localities having the ability to increase sources of export goods must carefully calculate the volume of export for each item and clearly indicate the requirements in connection with the conditions for making them (materials, packing materials, storage, transportation, etc.). The Ministry of Foreign Trade and central sectors must suggest that localities draft positive goods-exporting plans aimed at exporting new lines of goods, introducing consumer markets, setting prices, and so on and propose an appropriate mechanism for these activities.

- After making sure they fulfill the export norms in favor of the central administration, the localities that still have goods to export but have no ability to export them by themselves should associate with other localities or the central sectors for exporting purposes.

- The state encourages localities to borrow foreign currency in order to import raw materials for making goods for export. Encourage localities to exploit and start production of new lines of goods for export.

- With the earned foreign currency, sectors and localities must give priority to importing raw materials for production.

- Ministries, general departments, provinces and municipalities must combine all of their exporting capacities and needs for various goods to be imported and report them to the state for overall balancing. The state uses the materials and goods funds for exchange with the shares of sectors and localities of goods to be imported and then makes orders for goods to be imported.

##### 5. Balancing money and goods and managing market.

In addition to the measures to be taken to mobilize four sources of capabilities, there must be measures to control money and goods to be closely linked with reorganizing production and transforming and managing the market.

First of all, seek every measure to turn capital around very quickly, such as seeking every means to sell goods to recover money, mobilizing sources of stagnant capital and using sources of idle money from the people. Once money is available, seek every way to create more sources of goods and to control goods. Through this we can control both money and goods, make our capital turn around quickly and generate greater circulation of goods. Therefore, we must have plans to put the great majority of products and commodities into the hands of the state and to raise the volume of goods circulated in the organized market, from there on to ensure balance between money and goods.

Provinces and municipalities must combine all localities' commodities funds, which consist of the parts that the central administration puts in or come from integration with other sectors and localities, from import with foreign currency earned by localities or from local production, and maintain cash balance and balance between cash receipts and expenses by people in each province and district.

6. In addition to setting plan norms, it is necessary to study and suggest ways to decentralize management and economic-lever policies aimed at encouraging production, purchases and control of sources of goods. Pay attention to studying policies that encourage the restoration and development of the traditional occupations and encourage opening new land, reclaiming fallow land, practicing intensive cultivation, growing additional crops, exporting, and so on. Along with studying revision and adoption of a system of uniform policies and resolving basic and long-term matters, it is necessary to concentrate efforts on resolving any temporary problems that usually have a regional character for the time being, for the purpose of mobilizing all of the potential capabilities to develop production and to quickly increase the sources of export goods. Sectors and localities must on their own initiative resolve policy matters within themselves (such as relations between provinces and districts, and districts and cooperatives). Provincial and municipal planning committees are to show these policies in the set norms and maintain balance for their plans.

## II. Methods of Drafting 1985 Supplementary Plans

The general direction to take is to urge all basic units to review their plans and to look for additional potential sources to supplement them. Ministries, general departments, provinces and municipalities are to immediately assign the plan that the state has announced (along with Official Letter No 1453-UB/TH of 18 December 1984 of the State Planning Commission) to the basic units so as to lead and guide these units toward drafting supplementary plans.

Ministries, general departments, provinces and municipalities select a number of key units and concentrate on leading them in an active manner toward discovering and exploiting in the best way any potential capabilities at the



lower levels in order to incorporate in their plans, striving to overfulfill the assigned norms and preventing all tendencies to be too simplistic, to lack positive and in-depth action or to force their intentions on the lower echelons.

In the case sectors and localities find that the plan norms announced by the state are not accurate, insufficient or beyond their ability to fulfill, they must report them in time to the State Planning Commission.

Ministries and general departments must closely unite all localities in leading the central and local units toward drafting supplementary plans, particularly organizing the cooperation, joint enterprise and economic integration relations between the central and local economies in important locations and industrial centers.

The State Planning Commission organizes a number of groups of cadres who are sent to some key units in order to watch their work and to gain in time some experience in combining all plans together.

As we supplement the 1985 plans, we must review all norms and all aspects of the plans, from production to distribution-circulation. When we report to the superior echelons, we report only on the norms that are changed and different from the assigned ones and clearly show the degree of balance we try to maintain.

About the rate of progress in drafting plans: in January and February 1985 all basic units and districts are to complete drafting supplementary plans. Sectors and localities combine all supplementary plans and send them to the Council of Ministers and State Planning Commission before 15 March 1985. Between 15 and the end of March, they continue to review and check plans and to send supplementary plans to the State Planning Commission by the end of March or early April 1985.

5598

CSO: 4209/399

## ECONOMIC PLANNING, TRADE AND FINANCE

### ECONOMIC PLANNING AT ALL LEVELS TO BE ACTIVELY IMPROVED

Hanoi TAP CHI KE HOACH HOA in Vietnamese Jan 85 pp 7-15

[Article: "Actively Carrying out Improvement in Planning for the National Economy"]

[Text] Fully understanding the policy of improving economic management adopted at the 5th Party Congress and the resolutions of the CPV Central Committee, all sectors, localities and production installations in recent years have improved a number of aspects of economic management; the mechanism of bureaucratic and state-financed management has been partially abolished while some factors of a new mechanism have been taking shape. As planning has begun to be improved along the line of being drafted and balanced from the basic level up, there was a greater attention paid to exploiting four sources of capabilities in order to balance the plans, with some progress being made in sector and local planning.

However, the recent changes in planning were not yet uniform, strong and basic. The state plan still reflected a bureaucratic and imposed centralization and while it failed to vigorously encourage the vitality and creativity of sectors, localities and production installations, it did not ensure the right degree of centralization, nor was it closely linked with economic accounting and socialist enterprise yet. On the other hand, a state of being divided, localistic, unorganized and undisciplined was still reflected in the fulfillment of product delivery and financial plans; the planning of investment in capital construction failed to overcome a state of being divided and scattered.

In order to create new changes and to achieve at any cost the four socio-economic goals of the 1980's, the resolution of the 6th Plenum of the CPV Central Committee (5th term) has defined the urgent need to renew the mechanism of management and planning and set forth the guidelines and positions for improvement of planning for the national economy in the coming years. Among them the basic matters that require all sectors and echelons to concentrate their efforts on resolving are: to ensure plans being truly the central part of

the new mechanism of management; to build three basic levels all being the masters of plans; to link plans with economic accounting and socialist enterprise; and to actively exploit the four sources of capabilities in order to maintain plan balance and to ensure drafting plans from the basic level up.

To achieve improvement of plans in accordance with the above-mentioned direction is a large-scale and complex matter that must be carried out in a gradual manner along with a reorganization of society's production and a renewal of the entire mechanism of economic management. For the time to come, the Council of Ministers has issued a directive and a regulation about improving planning for the national economy\* and resolving the urgent matters for the purpose of, on the one hand, showing a better understanding of the party line in the state plan, covering all socioeconomic, national defense and security activities, which must be balanced in a concentrated, uniform and steady manner so as to basically influence the process of nationwide socioeconomic development; and on the other hand, extending both rights and responsibilities, promoting the vitality and creativity of all sectors and echelons, drafting plans from the basic and district levels up, striving to exploit all sources of capabilities, maintaining the highest degree of balance for all needs in connection with production, construction and daily life in localities and production installations and at the same time contributing more and more to the overall national needs.

To adhere to the major contents and measures about improving planning of the national economy.

The major contents and measures about improving planning of the national economy have been set forth by the Council of Ministers in official documents that positively reflect the building of a system of three levels being masters of plans and the improvement of planning in all aspects of the national economy.

The three basic planning levels are the country as a whole (including sectors), localities and basic units. Each level of planning is controlled by all three levels in accordance with appropriate planning contents and methods. As the three levels are the collective masters, each level actually controls, drafts, balances, protects and carries out its own plan. The right to control plans of basic units, districts, provinces, municipalities and sectors is extended along with raising the responsibilities and obligation of all these levels toward the development of the economy as a whole and toward the fulfillment of the entire country's plan.

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\* Directive No 412-CT and Provisional Regulation No 159-HDBT of 8 December 1984 about improving planning for the national economy.

## I - State Plan

The plan of the country as a whole serves as a decision. It must result from combining plans of sectors and localities and plans of basic units. It is the one that enables the central administration to influence through the plan in a steady manner the socioeconomic development process. In the task of improving planning of the national economy, the all-country plan must properly satisfy the following needs:

1. The state plan must understand more thoroughly and materialize the party line and turn it into the goals, structure, scope and pace of development of the national economy. Particularly, properly resolve the proportional relationships and the major balances of the national economy; most importantly resolve in a correct manner the relationships between industry and agriculture and between accumulation (mainly the scope and speed of building the material and technical base) and consumption (stabilize and gradually improve the standard of living and ensure fulfilling the national defense and security needs).
2. The state plan must cover the major socioeconomic activities and properly combine the economy with national defense. Clearly determine the major goals: the economic pattern in the planning period; level of investment, direction and allocation of capital investment and degree of strengthening the material and technical base; pattern of redistribution of the work force and use of the social labor force; level of development of science-technology; level of increase of labor productivity, product quality and economic results; level of achievement of socialist transformation, consolidation and perfection of the new production relationships; degree of improvement of the material and cultural living standard, mostly the standard of living of cadres, workers and members of the armed forces; level of stability in the financial and monetary situation, of market and prices; and level of satisfying national defense and security needs and mobilizing troops for participation in economic building.
3. The state plan must gradually achieve an overall balance in the national economy and at the three basic planning levels (central, local and basic). The central administration must fully control an important part of the four major balances, namely, the important materials and goods, capital (including foreign currencies), export-import and labor; the state plan must strongly ensure the material conditions for sectors, localities and important production installations to have in order to influence the basic aspects of the socioeconomic development process in the entire country. At the same time, there must be policies to encourage interests and to create favorable conditions for sectors, echelons and production installations to be active and creative, to exploit all capabilities to be brought into balancing the plans of their own units and to contribute to the common balance of the state plan.



4. The State Planning Commission must draw up tables of combined balances putting together material resources and values; balancing the gross social product and national income; balancing the major materials and goods; balancing transportation; balancing the social labor force; balancing the overall financial situation; balancing receipts-expenses with money from the population; balancing combined credit; and balancing international payment.

Planning must be carried out for gradually raising the state reserves in order to be able to deal actively with any unexpected situation (natural calamities, enemy-inflicted disasters, etc.). Encourage all sectors, localities and production installations to maintain the necessary reserve funds at a rational level.

5. Plans must fully reflect the principle of thriftiness and attach great importance to the quality norms: raising labor productivity, reducing the rate of consuming materials per unit product, reducing costs and circulation expenses, increasing the coefficient of use of equipment and machinery, increasing the effectiveness of invested capital, and so on. Set in a rational manner the economic and technical standards and norms, first of all the ones at the state level that serve as a basis for calculating and assigning plans, signing economic contracts, doing economic accounting, making materials inventories and reviewing and approving completed plans.

6. The state plan must be really drafted from the basic level up and combined from the plans of sectors and localities. The figures that serve as a guide for annual plans must be given to sectors and localities in April of the year to be reported. These figures are to cover the major tasks and norms having to do with quantities and quality; the major material and technical means supplied by the state; information regarding economic and technical matters, consumer market, prices, economic relations with foreign countries, and so on.

Ministries and localities must give the guide figures to production installations in May to allow the latter to have enough time to make draft plans and to submit them to the superior echelons. They must combine plans from the lower echelons into a draft state plan and send it to the State Planning Commission in September of the year to be reported so as to allow it to submit it in October to the Council of Ministers for examination and approval, with the official plan being assigned to sectors and localities in early December at the latest.

## II - Sector Plans

Sector plans must be drafted in conformity with the degree of development and characteristics of each sector. At present, many ministries have failed to do or have not yet fully done sector planning, with the plans being drafted usually

combining the plans of the production installations under their direct management. In the time to come, gradually achieve planning in accordance with economic-technical sectors and on a nationwide basis and combine planning based on sectors and planning based on localities and territorial areas. First of all, it is necessary to achieve the following points:

1. Sector plans result from combining plans of units under the direct management of a ministry with plans of units of the same sector under the management of localities and other ministries.

Plans in a specific sector are to cover the following: capital-construction investment policies; tables of balances in production and consumption (including export-import) of important products; and technical progresses, product quality standards and economic and technical norms at both state and sector levels. Ministries are to rely on the degree of development and characteristics of a sector to select the important things which they are in a position to do first, to do them little by little, with importance attached to certain aspects, and then to expand and gradually perfect them within the scope and contents of sector plans.

2. On the basis of the guide figures notified by the State Planning Commission, the ministry in charge of management of sectors leads the enterprises directly subordinate to it and guides the enterprises in the same sector under the direct management of localities and other ministries toward drafting their own plans, which it reports for combining into a sector plan.

3. Chairmen of provincial and municipal people's committees are responsible for reporting to the ministry in charge the part of sector planning in their locality. The matters that are within the ministry's authority to maintain unified management in a sector must be considered by it first and recommendations are to be made before the State Planning Commission combine and submit them to the Council of Ministers.

4. As for the plans of production installations in the same sector but under the management of other ministries, the ministry in charge sends to the sector-managing ministries the parts of plans that concern them so as to let them combine such parts into sector plans to be forwarded to the State Planning Commission.

5. In the process of considering sector plan drafts prior to combining them into common plans, the State Planning Commission must discuss with the ministries and local people's committees about the major norms of sector plans. In the case there is no unanimity among the State Planning Commission, ministries and localities, the commission is to report it to the Standing Committee of the Council of Ministers, which will make a decision.



6. Following approval of the state plan, the Council of Ministers chairman assigns the norms that have been set as regulations to the ministers for the part of the plan under the direct management of their ministries and to the chairmen of provincial and municipal people's committees for the parts under the management of their localities and at the same time notifies the ministries in charge so as to let them check their implementation.

### III - Local Plans

Local plans must cover in a broad manner the economic and social activities of localities, reflecting the highest degree of self-sufficiency on their part in building the local economic structure and at the same time in fulfilling their obligation toward the national interests as a whole. District plans play a very important role in local plans.

The contents and major measures for improving local (provincial, municipal, district and ward) planning are defined as follows:

1. Local plans include the socioeconomic part under direct management of the localities and the part that combines the local economic installations with the central economic installations stationed in the localities.

Every locality must have a broad plan for exploiting to the highest level and effectively the labor, land and occupational potentials and existing material and technical base and clearly determine the levels of its self-balancing and contributions to the country's needs.

Provincial and municipal people's committees must report the parts of sector plans of their localities to the ministries in charge in order to let them consider such parts and make recommendations before combining them into a common draft plan to be submitted to the State Planning Commission.

2. Local plans must cover integration and joint-enterprise activities carried out on the basis of socialist cooperation between central and local production and business units, and between economic components, in accordance with the state's management policies and procedures (mostly the policies dealing with financial matters, prices, purchases, delivery of products, etc.).

Local plans must exploit the sources of capabilities in the localities; expand in an organized and systematic manner cooperation, integration and joint enterprise with other localities; ensure fulfilling the norms assigned as regulations for delivery of goods to the central administration, including goods for export; and move toward a balance between the part the localities deliver to the central administration and the part the latter supplies to the former.

3. Provincial and municipal people's committees, in coordination with the ministries that have production and enterprise installations located in their localities, draw up a number of tables of balances based on territory, such as balance of social labor, balance of local raw materials and materials, balance of transportation, balance of the infrastructure, balance of consumer goods and services for the standard of living and balance of cash receipts and expenses by the people.

Ministries must notify provincial and municipal people's committees about any sector construction plans, plans for investment in capital construction and the new construction projects of a sector and create favorable conditions for localities to draft overall plans and, along with the ministries, to build economic cooperation relationships in the localities between central and local economic units.

Central enterprises are responsible for reporting their draft plans (with the exception of the special enterprises and products determined by the Council of Ministers) to the local people's committees; provincial and municipal people's committees are responsible for and have the right to take part in drafting plans of central enterprises and discussing with the latter the ways to exploit all capabilities, to expand integration and to balance and supplement the parts for which the central administration has failed to maintain a balance.

4. About district and ward plans: District and ward people's committees are to draft and carry out the socioeconomic plans of their districts and wards under the leadership of provincial and municipal people's committees.

In order to create favorable conditions for districts and wards to actively draft plans, it is necessary to perfect the overall socioeconomic plans and sector projects in districts and wards; to step up reorganization of production within districts and wards; and to speed up decentralization in favor of districts and wards, which are to manage the installations specialized in production, construction, communications and transportation, commerce and technical and everyday-life services.

District and ward plans result from combining the plans of production, enterprise and service installations operated by the state; cultural and social organizations of districts and wards; and collective economic units in these localities. District and ward socioeconomic plans are to cover production, construction, transportation, distribution, circulation, and material and cultural living conditions in districts and wards. Their plans must reflect the economic integration and joint enterprise activities inside and outside of districts and wards.

District and ward people's committees are responsible for combining the plans for purchasing agricultural, forest and marine products and small industrial and handicraft goods and for supplying within districts and wards materials to cooperatives, production collectives, labor cooperation teams and state-operated enterprises under district and ward management. On the basis of these plans, district and ward people's committees are to assume unified leadership over signing economic contracts by the state-operated economic units with cooperatives, production collectives and labor cooperation teams.

#### IV - Basic Plans

Basic units, particularly the state-operated economic installations, are the foundation of the economic structure of the country as a whole. Basic plans play the most important role in the system of three basic planning levels. In addition to the higher echelons creating favorable conditions and giving the right to take initiative in planning to the basic level, the basic economic units must truly improve the contents and methods of drafting and carrying out their own plans. All of them must draft perfected and unified production-technical-financial plans. These plans must be drafted on the basis of the selected plans for rational production pattern, allocation of goods to bring about good results and application of technical progress and rely on progressive economic and technical norms. All the parts of basic plans must reflect the positive spirit of exploiting all sources of capabilities in order to maintain balance for the needs of one's own plan and for making contributions to the country as a whole.

The contents of improving basic plans have been determined for various kinds of state-operated production enterprises in different sectors in these Council of Ministers documents: for state-operated industrial enterprises, in Resolution No 156-HDBT of 30 November 1984 "about a number of matters related to improving management of state-operated enterprises"; for state-operated construction and installation organizations, in Resolution No 166-HDBT of 15 December 1984 about "improving management in capital construction."

For the units in the collective, private and individual economies, the Council of Ministers documents set forth a number of major points:

1. For agricultural production cooperatives and collectives.
  - a. On the basis of zoning and unified plans of districts and wards, cooperatives and production collectives have to actively draft their own plans based on rationally determining the direction and pattern of production, reorganizing labor, perfecting the contracting system, consolidating production units and specialized units and teams and developing integration and joint enterprise activities with other units, in accordance with state regulations.

b. At the beginning of the crop season, district and ward people's committees let cooperatives and production collectives know the state's needs for mobilization of agricultural products, its ability to supply materials and goods and the necessary economic, technical and price information in order that they draft production plans, achieve accumulation and improvement of the living standard, pay taxes, sell agricultural products to the state and sign two-way economic contracts.

The material conditions that ensure production (including materials and capital supplied by the purchasing organ or lent by the bank) have to be provided prior to the crop season to allow cooperatives and production collectives to actively set up and carry out their plans.

## 2. For small industry and handicraft cooperatives.

The state, through applying the lever policies (taxes, prices, credit, etc.), signs economic contracts, improves the system of letting out work on contract, extends the form of selling raw materials and purchasing finished products and thus guides cooperatives toward systematically developing production and selling products to the state and encourages them to actively exploit all sources of materials, to expand integration and joint enterprise activities and to develop production.

In the case of products made of materials supplied by the state, cooperatives must sign contracts and deliver all of them to the state, in accordance with the quantities, quality and prices specified in these contracts. As to the products that are made of materials obtained by the cooperatives themselves, the state-operated commerce and marketing cooperatives sign contracts for their purchase at agreed prices. In the case the state-operated commerce and marketing cooperatives do not sign any consumption contracts, the cooperatives have the right to sell these products by themselves.

## 3. For private and individual economies.

At the same time the measures having to do with the socialist transformation, market management and strengthening of inspection and control are taken, the state adopts such measures as supplying and selling materials and energy, distributing the necessary consumer goods and using taxes, buying-selling contracts, credit and prices to mobilize all labor, capital and technical capabilities for developing production in accordance with the state plan for socioeconomic development.



## V - Planning in Various Fields

Along with building the three basic levels being the masters of plans, the efforts to improve planning for the national economy require improvements in the contents of planning for various economic, cultural, social, national defense and security fields in the plans of all three basic levels.

### 1. Planning for investment in capital construction.

a. Investment of capital in capital construction for any projects, without any distinction as to the source of such capital, has to be planned in accordance with the procedures for capital construction management set by the state. Investment must be uniform, with importance being attached to in-depth investment; investment is to be expanded by means of credit capital. New projects are included in capital construction investment plans only when investors have proved that the producing capacity of the existing installations of the same kind has been used to a reasonable degree.

b. Ministries must combine all capital construction investment plans in the entire sector (including the parts under direct ministerial management and under local management) in order to report to the State Planning Commission; provincial and municipal people's committees must report on the sector investment draft plans of their localities to the ministries in charge for consideration, which are to combine the capital construction investment plans of the sectors under local management and to report them to the State Planning Commission. They must along with the provincial and municipal people's committees concerned examine the plans for investment in infrastructural construction so as to plan for the most rational investment and use of invested capital within the localities concerned.

c. The norms set as regulations that are assigned to ministries on a yearly basis consist of the total invested capital under direct ministerial management, the lists of above-limit projects and the output put to use in different periods.

The norms set as regulations that are assigned to provincial and municipal people's committees consist of the total invested capital under direct local management (including capital coming from local budget, capital provided by the central budget and capital borrowed from the bank), the allocation of invested capital in accordance with economic sectors and the lists of important projects.

d. In addition to the above-limit projects and the key ones included in the approved lists, ministers and chairmen of provincial and municipal people's committees are to actively make the remaining capital available for other projects, but they must be reported to and registered with the State Planning



Commission and Ministry of Finance. Ministers and chairmen of provincial and municipal people's committees have the right to adjust the capital in the projects they finance and to review and approve the lists of projects financed by the subordinate basic units.

e. Carrying out the mottoes, "The central and local levels work together" and "The state and the people work together," all localities can mobilize capital from enterprises, cooperatives, collectives and the people (labor, materials and money) in order to build projects that serve production or public welfare in their localities. Depending on its capabilities, the state supports such projects by providing some of the materials if necessary.

## 2. Planning for labor and population.

a. Localities draft population development plans and suggest family planning and birth control measures. The Council of Ministers assigns to each province and municipality annual birth rate norms (to replace the norms set for the rate of natural population increase); provinces and municipalities assign these norms to each district and ward; districts and wards assign these norms to each village and subward.

The State Planning Commission along with the Ministry of Labor draft plans for balancing and distributing labor on a nationwide basis; suggest guidelines, tasks and measures aimed at creating jobs to attract the still-unemployed laborers; fully use the labor-time funds; and raise labor productivity. All enterprises, cooperatives, districts, wards, provinces and municipalities must have plans for balancing and using labor in all production installations and within each district, ward, province and municipality (including labor in the production installations subordinate to both central and local administrations).

## 3. Planning for supply of materials.

a. It is necessary to quickly reorganize the materials supply system, to ensure the fastest way to supply production installations with materials, to reduce the contacts and intermediaries and to switch to the socialist enterprise formula.

b. The norms set in materials supply plans are to be balanced with production plans and directly assigned to the units that are responsible for managing production and delivery of products. The units that receive the norms set for production and delivery of products are the ones that receive the norms set in materials supply plans.

According to this principle, the Council of Ministers assigns the materials plan norms to ministries, which lead the production installations subordinate

to them toward fulfilling the task of making and delivering products, and to provincial and municipal people's committees, which lead the production installations subordinate to them toward fulfilling the task of making and delivering products of the local economy.

c. Planning for supply of materials must ensure, on the one hand, management by the ministries in entire sectors and, on the other, the initiative of the localities in supervising production, organizing purchases and mobilizing goods from the economic sectors under direct local management.

The ministries in charge of sectors (production, building, commerce, transportation, etc.) are to determine the materials needs of entire sectors and to project materials distribution plans proportionate to the production, purchase, mobilization and transportation tasks of the production installations subordinate to themselves and localities. They are to send the draft plans to the State Planning Commission for its combining them for submission to the Council of Ministers. The latter considers and approves such plans and assigns the norms set in materials supply plans to the ministries for the parts of the installations that are subordinate to them and to localities for the parts that are under local management and at the same time notifies the ministries so as to let them check the implementation of plans.

d. Provincial and municipal people's committees are responsible for using materials in accordance with the state plan goals and the norms assigned to sectors. In the case it is necessary, for legitimate reasons and under objective circumstances, to transfer materials from one sector to another in a locality within the framework of the local plan, the committees must seek the opinion of the ministry in charge. Under urgent circumstances, they have the right to order the transfer to respond to the needs that cannot wait, but they must report without delay to the ministry in charge.

Ministries are to keep track of and lead provincial and municipal people's committees as they carry out the materials supply plans in their local sectors and to check the execution of economic contracts between central corporations and localities. When they find that some localities are unable to fulfill the assigned norms in connection with production, purchase and delivery of products, they must discuss with the locality concerned in order to transfer in time the materials concerned to another province so as to ensure fulfilling the plan norms in the entire sector, but this must be reported to the State Planning Commission.

e. The Ministry of Supply and other ministries assigned the task of supplying materials must draft supply plans in accordance with the tasks and regulations set by the Council of Ministers; take positive and effective measures to carry them out; and supply materials in a uniform manner, in full compliance with

the quantities, quality, prices, time and location required and in accordance with the plan norms and contracts.

As to the materials imported from abroad for the making of products for export as included in the state plan, the ministries and localities that are in charge of making export goods for delivery to export corporations or for exporting by themselves (in the case the state has authorized them to do so) are to directly receive these materials, which they cannot use for any other purposes.

f. The managerial echelons, enterprises, unions of enterprises, corporations and general corporations that have been supplied with materials must strictly comply with all accounting, statistical and final-balance procedures, particularly in the case of important materials and products. Making final balance must be based on the norms and completed within deadlines set by the responsible echelons. Beyond the assigned deadlines any units that have failed to make final balance would not continue to be supplied with materials.

#### 4. Planning for science-technology.

a. Science-technology plans must be drafted one step ahead to serve as the basis for drafting socioeconomic plans. In March each year, the State Science and Technology Commission, along with the Vietnam Institutes of Science and State Planning Commission, submit to the Council of Ministers motions about the major tasks and norms: use of natural resources; lists of technical progresses (including new products) to be applied; products that have been given the state quality seal and the lines of goods made in the country that can replace the imported ones; economic and technical standards and norms aimed at attaining the goals of raising productivity, quality and economic results; and material, technical and financial means for use in scientific and technical research, development and applications.

b. To have broad integration activities and the economic-contract system between scientific and technical research organs and production-enterprise units and economic and cultural organs.

c. In order to have a basis for sectors, echelons and production installations to draft plans, the chairman of the Council of Ministers instructs the State Planning Commission to promptly set state-level norms for the important products of the economy; ministries are responsible for setting sector-level norms.

#### 5. Planning for export-import.

a. Sectors and localities must make export-import draft plans and report them to the State Planning Commission and Ministry of Foreign Trade, which are

to combine them and to maintain common balance in the unified export-import plan for the country as a whole. This plan consists of the export-import parts of the central sectors and of the localities.

To gradually achieve balance for export-import and balance in foreign-currency receipts and expenses in every sector and locality (except the sectors and localities that have few export capabilities).

b. About export. On the basis of the agreements between our country and foreign countries, the State Planning Commission and Ministry of Foreign Trade submit motions to the Council of Ministers about setting norms as regulations in annual plans and the 5-year plan for sectors and localities in connection with production, purchase, export or delivery of export goods to the central administration.

For the products to be delivered to the central administration for exporting in accordance with the set norms, the state ensures on a first-priority basis the conditions for their production, especially the supply of materials imported from abroad. Beyond the norms set as regulations about export or delivery of export goods to the central administration, sectors, localities and production installations can exploit on their own initiative the sources of capabilities in order to draft their export plans, but they must adhere to the "the state holds monopoly over foreign trade and foreign exchange, the central administration maintains unified management of foreign trade" procedures.

c. About import. On the basis of the common import plan within the state plan, the State Planning Commission and Ministry of Foreign Trade consider and approve the import plans of sectors and localities, including the parts of import involving the sources of self-supplied foreign currency.

The sectors, localities and basic units that have sources of self-supplied foreign currency (have their own bank accounts) and are authorized to do direct export-import business are permitted to sign orders of import goods and to directly import the necessary materials and goods, after the Ministry of Foreign Trade has issued them permits. In the case a unit has a current account and the right to use foreign currency but is not yet authorized to do direct export-import business, it can sign orders of import goods and ask the central or local export-import business organizations to take care of such orders. All import activities of sectors, echelons and units must comply with the state foreign trade management policies and procedures.

6. Planning for budget, credit, money circulation and prices.

a. The Ministry of Finance and State Bank, in coordination with the State Planning Commission, are to make state budget, credit and money circulation



draft plans and to submit them to the Council of Ministers for consideration and approval at the same time with the state plan.

The State Planning Commission, in coordination with the Ministry of Finance, the State Bank and the ministries concerned, draws up tables of overall financial balance, cash-from-the-people receipts-expenses balance and money-goods balance and submits them to the Council of Ministers for consideration and approval.

b. The State Planning Commission as the leading organ, in coordination with the State Price Commission and Ministry of Finance, drafts cost plans, defines the task of reducing costs and circulation expenses and drafts price plans in accordance with a number of combined norms, such as the rate of increase (or decrease) of price systems -- purchase, retail and wholesale prices of materials.

#### 7. Planning for improvement of the material and cultural living standards.

a. The state plan must attach special importance to the goal of stabilizing and improving the standard of living through such norms as the level of circulation of retail goods and services, the rates of calculated and actual increases of workers' and farmers' income, the average per capita consumption of some necessary consumer goods and housing facilities and the degree of cultural, educational, public health, social and public welfare development.

b. The ministries in charge of the commercial task, along with the State Planning Commission and localities, draft plans for purchase, mobilization and distribution of goods; at the same time, there must be plans for expanding the socialist commercial system combined with stepping up market transformation and management.

The State Planning Commission, in coordination with the commercial sectors, drafts tables of balance and plans for distribution of the necessary goods. Local people's committees actively draft tables of balance and plans for distribution of other goods and mobilize the available goods in accordance with the four sources of local capabilities in order to ensure satisfying the needs of all people in a locality.

c. The available state goods, after the goods for export and the state reserves are put aside, are brought into the socialist commercial system for distribution through three funds:

- Fund for goods supplied at state-stabilized retail prices to cadres, workers and the armed forces.



- Fund for goods to be sold in accordance with two-way economic contracts, consisting mainly of the means of production (including the technical services that serve production, such as water conservancy, labor in doing soil preparations by machine, etc.) and being balanced in technical materials supply plans; in addition, there are grain (for growers of industrial crops, handicraftsmen, workers in fishery, salt making, etc.) and some other necessary consumer goods that producers need.

- Fund for goods to be sold normally (including the services that serve public life): this fund is set up on the basis of the possibility of having sources of goods and the population's needs and purchasing power.

d. The educational, public health and social sectors must along with the State Planning Commission draft plans and suggest the major norms in these fields. The state plan must correctly determine the rate of development and rational proportional relationships between the economic and sociocultural fields, between regions and population areas, with special attention to be paid to the highlands, and among the general school, college, vocational middle school and vocational education levels.

The state plan must show an appropriate interest in investing in building the material and technical base for the cultural and social fields, attach importance to mobilizing contributions from the people and materialize and properly carry out the motto, "The state and the people work together; the central and local levels work together."

8. Planning to combine the economy with national defense.

a. The Ministry of National Defense and the Ministry of Interior as the leading organs, in coordination with the State Planning Commission and Ministry of Finance, study and suggest the material resources and financial norms to be brought into national economic plans for overall balance in order to satisfy national defense and security needs.

b. The Ministry of National Defense, along with the State Planning Commission and the ministries in charge of production management, must bear the responsibility for drafting plans for the army to take part in economic construction in accordance with the general state procedures and the principle of economic accounting, thus ensuring delivery of products in accordance with assigned plan norms.

The Ministry of Interior, which has a work force in prisons, must also have plans for production and delivery of products to the state.

Local people's committees discuss with units of the armed forces the participation in doing economic work and affirm the plans for production, building and delivery of products of the army units stationed in their localities to be combined into the local plans.

c. The State Planning Commission and the Ministry of National Defense, in coordination with other ministries and localities, study the tasks and contents of wartime economic preparations and mobilization and reflect the necessary parts in the state plan.

To draw up a program of action, to properly carry out the directive on improvement of planning of the national economy.

To improve planning is by its nature a great and complex matter which, as it is carried out under the conditions of the economic situation being far from stable, the organizing and managing capacity of sectors and echelons still being limited and the management mechanism undergoing changes from being a bureaucratic and state-financed mechanism to becoming a new one, in which plans are the central point and are linked with economic accounting and the socialist enterprise, must be done step by step and on the basis of learning from experience and gradually perfecting it as the work progresses.

In their efforts to draw up a program of action to carry out the directive and regulations of the Council of Ministers, all sectors and echelons must review their recent planning work, draft plans for improving planning to suit better the characteristics of their unit and clearly determine what they can do right now in the process of drafting supplementary plans and preparing conditions for doing a more uniform work in the drafting of the 1986 and 1986-1990 5-year plans. In each job they must clearly indicate the rate of progress and time of completion and distribute work and responsibilities for carrying out the plans, checking and supervising and reporting periodically -- quarterly and every 6 months -- the results to the State Planning Commission.

The contents of programs of action of sectors and echelons must concentrate on a number of important matters:

- To exploit the four sources of capabilities in order to maintain the highest degree of balance for one's needs.
- To achieve drafting and combining plans from the lower levels up in a realistic and effective manner.
- To suggest in motions the policies and procedures to be revised and supplemented.

For state-operated industrial enterprises in the process of implementing Resolution No 156-HDBT of the Council of Ministers, the State Planning Commission provides guidance as to the contents and methods of defining the five new norms set as regulations. The higher-ranking management organs must directly assign the 1985 plan to these enterprises in accordance with the five newly-issued norms.

As for the other forms of enterprises (construction and installation enterprises, state farms, state forests, transportation enterprises, commercial enterprises, materials supply enterprises, agricultural cooperatives and production collectives, etc.), the State Planning Commission will coordinate its activities with ministries in order to issue guidelines about planning suitable for various forms of basic installations.

For localities, provinces and municipalities lead districts toward drafting plans in accordance with the spirit of the resolution of the 7th Plenum of the CPV Central Committee on building districts and strengthening the district level, and services toward combining sector plans from the basic level up and combining the parts of plans they are interested in and the parts of the central production installations in the localities in order to gradually balance the plans on the basis of territory. The State Planning Commission has issued guidelines about district-level planning.

For sectors, ministries and general departments must clearly determine the extent and framework of all-sector planning and select the sectors and things they are in a position to do first to gain experience and then to extend it to other sectors and things. To study drawing up positive regulations about combining sector plans from the basic level up, setting economic and technical standards and norms, appointing additional cadres to keep track of sector plans and gradually drafting and combining all-sector plans in the country as a whole.

In order to serve the task of assuming leadership over improving planning throughout the country, the State Planning Commission is to organize leadership in a number of key localities where enterprise planning models will be built. The production installations, sectors and localities selected as key locations must actively draft plans and proceed with carrying them out.

AGRICULTURE

PAPER ON AGRICULTURAL TRANSFORMATION IN NAM BO

OW301140 Hanoi Domestic Service in Vietnamese 1100 GMT 27 May 85

[Text] Dealing with the fine results and outstanding problems on the agricultural transformation front in Nam Bo, an article published in QUAN DOI NHAN DAN on 27 May says:

The objective of the Nam Bo Provinces is to basically complete agricultural transformation in 1985. To this end, they have whipped up a seething, strong agricultural transformation movement and achieved some progress.

By the end of the first quarter of 1985, the Nam Bo Provinces had attracted the participation of 71.7 percent of the local peasant households with 64.5 percent [figures as heard] of the cultivable land in collective production activities. Tien Giang Province, led the other Nam Bo Provinces by finishing agricultural transformation by the end of 1984, followed by Ho Chi Minh City and Ben Tre Province.

The new feature of agricultural transformation in Nam Bo is that the cooperativization movement is linked to land reallocation. This important measure is aimed at eliminating exploitation by capitalists and rich peasants, implementing the motto: Land to the tiller, upholding political dominance, and creating conditions for our peasants to attach themselves to the socialist regime.

In Nam Bo, what has attracted our peasants is that the number of advanced agricultural production collectives and cooperative which have fared well in their businesses and achieved high productivity has increased with every passing day. These production collectives and cooperatives have achieved an average of 4-5 tons of paddy output per hectare and some of them have set up primary industrial-agricultural structures, achieved ever closer business integration, helped members rapidly increase income, increased collective accumulations, and satisfactorily fulfilled their grain obligations. The man-day quota of paddy output of the advanced production collectives and cooperatives has been raised from 6-8 kilos in the past to 13-23 kilos at present. In particular, some production collectives have achieved even 30-40 kilos of paddy output per man-day of labor. According to a survey, advanced production installations have constantly mobilized up to 80 percent of the available manpower.

Apart from the positive changes achieved on the agricultural transformation front in Nam Bo, there still remain certain weaknesses as reflected in the

phenomenon of coercion in land reallocation and in the building of production collectives. Many production collectives have incurred losses in their businesses as a result of unsatisfactory organizational and managerial work and of the lack of planning or a proper plan. Still prevalent is the failure of some monocultural production collectives and cooperatives to fully exploit all potentials of land, manpower, and crafts and to perfect the product contract system in agricultural production.

Noteworthy is that there is currently a shortage of grassroots cadres and failure to meet requirements.

If the aforesaid problems can be resolved, the agricultural transformation movement in Nam Bo will improve qualitatively and obtain better results.

CSO: 4209/423



AGRICULTURE

BRIEFS

**THAI BINH DROUGHT**--As of 21 May, nearly 40,000 hectares of rice in Thai Binh Province had been hard hit by drought. The province is devoting two-thirds of the electricity supplied by the Central Government to operating pumping stations as part of its efforts to combat drought. [Summary] [Hanoi Domestic Service in Vietnamese 1430 GMT 22 May 85 BK]

**NGHIA BINH GRAIN PROCUREMENT**--As of the end of April, Nghia Binh Province had delivered 42,250 metric tons of winter-spring grain--or 55 percent of the planned target--to the state granary. This represents an increase of 5,421 metric tons over the same period last year. [Summary] [Hanoi Domestic Service in Vietnamese 1430 GMT 22 May 85 BK]

**HA NAM NINH INSECTS**--More than 7,000 hectares of rice in Ha Nam Ninh Province are now being ravaged by stem borers. Particularly in Tam Diep and Duy Tien Districts, a total of 4,000 hectares of rice or so have been affected by rice blast. Districts in the province are striving to minimize the damage with the use of insecticide. [Summary] [Hanoi Domestic Service in Vietnamese 2300 GMT 23 May 85 BK]

**HA BAC DROUGHT**--Due to a prolonged heat wave, more than 23,000 hectares of rice in Ha Bac Province have been hit by drought. The province is striving to use electric pumps to irrigate ricefields. More than 10,000 hectares of rice have been saved from drought so far. [Summary] [Hanoi Domestic Service in Vietnamese 2300 GMT 23 May 85 BK]

**THAI BINH INSECTS**--As of 23 May, riceplants in Thai Binh Province had blossomed on 53 percent of the cultivated area. At present, some 26,000 hectares of rice in the province are being ravaged by rice hispas and rice caseworms. Together with vegetation protection teams, members of local cooperatives are now spraying insecticide in an effort to save rice from being destroyed by these insects. [Summary] [Hanoi Domestic Service in Vietnamese 1430 GMT 25 May 85 BK]

**TAY NINH AGRICULTURAL TRANSFORMATION**--By mid-May, Tay Ninh Province had set up 1,742 production collectives, 20 cooperatives, and 17 farm machinery collectives, absorbing almost 80 percent of the peasant families and some 83 percent of the cultivated area in the province. Tay Ninh is the fourth province in the south complete basically to agricultural cooperativization. [Summary] [Hanoi Domestic Service in Vietnamese 2300 GMT 25 May 85 BK]

NGHE TINH DROUGHT--Over 16,000 hectares of winter-spring rice in Nghe Tinh Province are being affected by drought. The province is mobilizing every available means to secure water for the protection of winter-spring rice and cultivation of summer-fall rice. [Summary] [Hanoi Domestic Service in Vietnamese 2300 GMT 28 May 85 BK]

HOANG LIEN SON RICE BLAST--Some 2,000 hectares of rice in Van Chan District of Haong Lien Son Province has been affected by rice blast. The district has sent cadres to various establishments to help prevent and stamp out blight and insects. [Summary] [Hanoi Domestic Service in Vietnamese 2300 GMT 28 May 85 BK]

CSO: 4209/423

HEALTH, EDUCATION AND WELFARE

BRIEFS

HANOI MOVIE, VIDEO SHOWS-- Many agencies in Hanoi have organized movie and video shows illegally to obtain money for business operations and large quantities of foreign movie films and video cassettes have been smuggled into the municipality. To overcome this situation, the Municipal Cultural and Information Service has arranged for these agencies to register their movie projectors and video cassette players for control purposes. [Summary] [Hanoi Domestic Service in Vietnamese 0500 GMT 27 May 85 BK]

CSO: 4209/423

PUBLICATIONS

TABLE OF CONTENTS OF TAP CHI KE HOACH HOA JAN 85

Hanoi TAP CHI KE HOACH HOA in Vietnamese Jan 85 p 34

[Text] The 7th Plenum of the CPV Central Committee (pp 1-2)

Actively Developing the Organization of Drafting 1985 Supplementary Plans  
From the Basic Level up (pp 3-6)

Actively Carrying out Improvement in Planning for the National Economy  
(pp 7-15)

Striving To Win the Greatest Victory for the 1985 State Plan (pp 16-22)  
(Vo Van Kiet)

Research, Exchange of Opinion, Experience

The Southern Laundry Detergent Corporation in an Effort To Balance Its Plan  
(pp 23-27)  
(Le Khac Thanh)

Foreign Research Document

Economic Strategy in the 1980's (pp 28-31)  
(Kimikusiz)

Economic & Planning Document

Basic World Grain Production Data in 1979-1984 (pp 32-33)

5598

CSO: 4209/399

END

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